FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 063 2 April 1987

ARGENTINA

Radical Leader on Possible Sourrouille Resignation B 1
Soviet Envoy: Alfonsin Backs Soviet Arms Proposal B 1
Alfonsin Inaugurates UNDP Meeting 30 March B 1
CGT Pledges 'Support' for New Labor Minister B 2
Swearing-in Reported [BUENOS AIRES HERALD 1 Apr] B 2
Further on Military Human Rights Trials B 3
Court: Officers 'Rebellious' [BUENOS AIRES HERALD 1 Apr] B 3

BRAZIL

Police Attack Constituent Assembly Members D 1
Guimaraes Comments D 1
Funaro Says Credit Renewal 'Sign of Confidence' D 2
Portugal's Soares on Solidarity, Relations D 2
Military To Strengthen Border Against Traffickers [EFE] D 2
Panama's Noriega Arrives for DEA Meeting 26 Mar [Panama] D 3
President Sarney Receives Message From Iraq's Saddam [INA] D 3
Paper Discusses Surinamese Guerrilla Activities D 4
[O ESTADO DE SAO PAULO 27 Mar]

CHILE

Pope Welcomed by Pinochet; Speaks at Airport E 1
Violent Protests Break Out [AFP] E 2
Police Stem Demonstrations [EFE] E 2
22 Carabineros Injured [AFP] E 2
30 Arrested During Anti-Pinochet Protest [AFP] E 3
National Patriotic Civic Movement Created E 3

COLOMBIA

Health Workers Occupy French Embassy 1 Apr F 1
Further Details on Occupation [EFE] F 1
Briefs: Drug Money in Industry; Agreement With Netherlands Antilles F 2

ECUADOR

Court Accepts Bond, Orders Vargas' Release C 1
Vargas May Run for President [AFP] G 1
Government Allows Reopening of Radio Stations G 2
Central University May Resume Operations C 3

PARAGUAY

Stroessner Speech Initiates Congressional Session H 1

PERU

Garcia Interviewed on Debt, Relations With Mexico J 1
[Mexico City EXCELSIOR 19 Mar]
U.S. Bank, National Police Station Attacked [AFP] J 7
Briefs: Smuggling Vessels Intercepted; J 7
Navy Commander Visits Argentina

URUGUAY

Pope Discusses Human Rights in Chile, Poland K 1
Argentine, Chilean Ministers Arrive To Meet Pope [EFE] K 2
Soviet Ambassador Presents Credentials 26 March [AFP] K 2
Briefs: Credit for Brazil; Ambassador to Vatican K 2

VENEZUELA

President Lusinchi Meets With Special Envoy Habib L 1
Lusinchi on Antigovernment Conspiracy L 1
[EL UNIVERSAL 23 Mar]
Armed Forces Conduct Military Exercises L 1
Authorities Alert Caribbean About Libyan Official L 3

MEXICO

De la Madrid on Economy, Political System M 1
De la Madrid Cautious About Economic Outlook M 12
Official Says U.S. Does Not Recognize Drug Fight M 13
Briefs: International Reserves Increase M 13

PANAMA

Assembly President Condemns U.S. 'Intervention' N 1
[LA ESTRELLA DE PANAMA 31 Mar]
Editorial Calls Supporters of U.S. 'Traitors' N 1
[LA REPUBLICA 25 Mar]
Gen Noriega on Social Security, Energy Crisis N 2

CENTRAL AMERICA

BELIZE

PM Calls for 'More Comprehensive U.S. Policy' P 1
Government Announces Increase in Defense Spending P 1

EL SALVADOR

FMLN Issues Communique on Paraiso Attack [Venceremos] P 2
Interview With Blandon on Sandinism, War P 5
[EXCELSIOR 29 Mar]

HONDURAS

Azcona, PCN Leaders Discuss Arias Peace Plan P 7
[LA PRENSA 31 Mar]
Lopez Blames Contras for 'Missing' Citizens [AFP] P 8
Minister Denies Military Maneuvers 'Agressive' P 8
[LA PRENSA 31 Mar]
Speaks on Salvadoran Suit P 9

NICARAGUA

Honduran Official Discusses Refugees' Repatriation P 10
[EL NUEVO DIARIO 26 Mar]
SED Delegation Received by President Ortega P 11
[East Berlin NEUES DEUTSCHLAND 25 Mar]
EPS Claims 431 Contra Casualties in 3 Months P 11
Political Prisoners Pardoned P 12
[EL NUEVO DIARIO 31 Mar]
Defense Ministry Announces Managua Maneuvers P 12
[BARRICADA 31 Mar]
Briefs: Educational Agreement With GDR P 12

CUBA

Commentary Calls Puerto Rico U.S. 'Gendarme' Q 1
Commentary Calls IAPA 'Proimperialist' Q 2
Sixth Conference of Planning Ministers Held Q 2
Importance of Integration Q 3
Conference Ends Q 3
Commentary on Bolivian Mining Situation Q 4
Castro Meets With Dominican, Brazilian Leaders Q 5
Gomez Describes Reaction Q 5
Reportage on Haitian Politics, Economy Q 6
Communists Favor Constitution Q 6
Economic Situation Q 6
Referendum on Constitution Q 7
Communist Leader on Vote Q 7
Further on Visit by SWAPO Leader Nujoma Q 8
Speaks at Angolan Ceremony Q 8
Thanks Cuba for Assistance Q 8
Visits Isle of Youth Q 9
Government To Monitor South African Oil Embargo Q 9
Third Cultural Workers Congress Held 26-28 Mar Q 9
Risquet Presides at Session Q 10
Elects New Secretary General Q 10
Approves Report, Ends Q 11
Culture Minister Speaks Q 11
Carlos Aldana Closes Q 11
Castro Attends Knitting Mill Opening Ceremony Q 12
Speaks With Workers Q 12

CARIBBEAN

Caricom Proposes New Area Fishing Plan S 1

JAMAICA

Governor General Delivers Throne Speech S 1
JLP, PNP Agree To Hold Bipartisan Talks S 3
Parliament Approves Carry-On Budget for April-July S 3

ST CHRISTOPHER AND NEVIS

Moore Arrested for 'Seditious Language' S 3

TRINIDAD AND TOBAGO

Nigerian Envoy Receives Three Death Threats S 4
Nation Facing One of Worst Dry Seasons S 4
Government Announces More Food Price Increases S 4
Cane Fires Causing Havoc in Sugar Harvest S 5
Briefs: New Party Youth Group S 5

SURINAME

Bouterse Announces Referendum, Election Dates U 1
Draft Constitution Approved; Mercenaries Sighted U 1
Labor Unions Planning New Political Party U 1

RADICAL LEADER ON POSSIBLE SOURROUILLE RESIGNATION

PY271344 Buenos Aires Domestic Service in Spanish 0200 GMT 27 Mar 87

[Excerpt] Rumors were circulating in Congress today about the possible resignation of the economy minister [Juan Sourrouille].

We discussed this subject and other important matters with Deputy Cesar Jaroslavsky, leader of the Radical Civic Union bloc in the Chamber of Deputies. The following is a report by (Miguel Angel Efeyard):

[Begin recording] [(Efeyard)] There is a lot of talk about the economy minister's possible resignation, something that has already been denied. To what do you attribute these rumors?

[Jaroslavsky] I think we should get used to these things that can only be stirred up by the active members of the antidemocratic regime, [words indistinct], by those who by all means and at any price want to spread unrest and cause uncertainty through these rumors. If one did not know the origin of this rumor, it could have an immediate repercussion on the dollar exchange rate, the shock market, thus creating a climate of unrest which is what these rumor mongers seek. Surprisingly enough, this new maneuver -- similar to the one that appeared regarding Argentina's vote on the Cuban issue -- comes at a moment during which society is following, with a justified and great expectation the appointment of the new labor minister. [passage omitted] [end recording]

SOVIET ENVOY: ALFONSIN BACKS SOVIET ARMS PROPOSAL

PY010110 Buenos Aires DYN in Spanish 2302 GMT 31 Mar 87

[Text] Buenos Aires, 31 Mar (DYN) -- President Raul Alfonsin today voiced his support for the Soviet proposal calling for the withdrawal of all Soviet and U.S. missiles deployed in Europe, Soviet Ambassador Oleg Kvasov said.

Kvasov, who was received today by Alfonsin at Government House, conveyed to the Argentine president Soviet leader Mikhail Gorbachev's greetings for Alfonsin's recent birthday. In remarks to the press after the meeting, Kvasov said he exchanged with Alfonsin ideas on international issues, such as disarmament, the end of the nuclear testing, and the nonmilitarization of outer space."

Kvasov said: "I called the president's attention on the lastest Soviet proposal calling for the withdrawal of all Euromissiles." He said that the president "has given his full support to this proposal."

Kvasov delivered to Alfonsin a message from Gorbachev wishing him "great success in his mission with the Argentine people and in his efforts for peace and disarmament. President Alfonsin's personal efforts in pursuing these objectives are highly appreciated in the Soviet Union."

ALFONSIN INAUGURATES UNDP MEETING 30 MARCH

PY311729 Buenos Aires TELAM in Spanish 1856 GMT 30 Mar 87

[Excerpt] Buenos Aires, 30 Mar (TELAM) -- President Raul Alfonsin today asserted that the foreign debt problem, the difficulty of assessing international markets, and the acquisition of new technology hinder the possibilities of growth and development and threaten the very survival of many societies.

This morning Alfonsin inaugurated the meeting of the United Nations Development Program [UNDP] for Latin America and the Caribbean being held at the Cervantes National Theater. He said that the efforts being made by Latin American countries facing restrictions imposed by an unfair international order and that the maintenance of these unbearable socioeconomic conditions affects international stability. Alfonsin said: We are not isolated but are one of the countries of the South. We are part of a world afflicted by a deep-rooted crisis, and in which enormous sums of money are spent on the purchase of weapons which are used to maintain an unstable and dangerous equilibrium, while many countries live in misery, without hope. He recalled that in the last few years we have witnessed a true resurgence of democracy in Latin America. We have left authoritarism, violence, and persecution behind. Liberty, tolerance, and pluralism rule today under a government's whose legitimacy stems from the peoples' sovereignty.

Alfonsin went on to say that the consolidation of democracy is one of the basic objectives now sought, because it reflects essential values which stem from a moral concept, which is tightly linked to reality and which has direct practical consequences. Alfonsin said that we live in an interdependent world which technological development has made smaller. Therefore, he said, the problems of one part of the world cannot be solved unless those of the other part are solved as well. He said that we have stated our position in the different international meetings and proposed changes in the international order so that our democracies will stand a better chance, so that the large amounts of money spent on armaments can be used for development, so that the creditor countries can share part of their responsibility in resolving the foreign debt problem, and so that trade be conducted on a more just and equitable basis.

Alfonsin pointed out that in the face of war, humanity is working hard to ensure peace and prosperity. International cooperation was born from that effort and one of its objectives is [words indistinct] of mutual interests. Cooperation is the way to combat confrontation, violence and aggression. Referring to the Argentine situation, Alfonsin said the difficulties task of transforming the economy is being conducted to set the basis for a healthy and sustained growth and to overcome stagnation. He added that we have fought inflation with firmness and we are putting the economy in order. [passage omitted]

CGT PLEDGES 'SUPPORT' FOR NEW LABOR MINISTER

PY302322 Buenos Aires TELAM in Spanish 2026 GMT 30 Mar 87

[Text] Buenos Aires, 30 Mar (TELAM) -- The CGT [General Labor Confederation] decided today to support union leader Carlos Alderete in his new post as labor and social security minister. This decision was disclosed by the CGT secretary general at the end of a 5-hour meeting of the CGT executive board at the union's headquarters at 802 Azopardo Street in this capital. Union leader Saul Ubaldini stated that Alderete has the CGT's support, and that Alderete's proposals are the CGT's proposals.

Swearing-In Reported

PY012135 Buenos Aires BUENOS AIRES HERALD in English 1 Apr 87 p 1

[Text] (NA-DYN) -- Labour Minister Carlos Alderete yesterday called on workers, businessmen and investors to propose ways to weather the current economic crisis, and said he hoped his will become "a ministry of reactivation, which will deal with the problems of the unemployed."

In a brief speech he made as he took office, Alderete said his priorities were "to attack social injustices and promote the replacement of the labour legislation issued by the military government."

Amidst Peronist and Radical chants, power workers union leader Alderete became the first Peronist minister to enter the government of President Raul Alfonsin, thus consolidating a social pact between the governing party and the Group of 15, an important faction of Orthodox Peronist unionists.

Former Labour Minister Hugo Barrionuevo, also a unionist, did not attend the ceremony, claiming he had to go out of town. However, the president praised Barrioneuvo's "dedication to the task in spite of difficult circumstances."

CGT Secretary-General Saul Ubaldini, who had previously expressed his support for the appointment, attended the take-over ceremony yesterday accompanied by most members of the CGT directive council.

The absence of Renewal Peronist leaders and of the Renewalist Unionsts' Group of 25 evidenced the unrest in that sector over the government's agreement with the Group of 15.

One Renewalist who did attend was Group of 15 member Jose Rodriguez, who declined the offer for the post of minister himself because "I am a little more important and they would have had more trouble," as he reportedly said.

Alderete's improvised press conference was cut short when, after answering only two questions, he was taken out of the room by Power Workers Union Secretary-General Juan Carlos Zanuzzi at the request of members of the Group of 15. Zanuzzi reportedly pushed journalists out of the way to reach Alderete, in the opinion of some to keep him from making any more statements.

Unionists sources reported that Economy Minister Juan Sourrouille and Alderete met in the early afternoon to discuss future policy.

Ubaldini and Alderete, in turn, have agreed on "really seeking joint-decision making" between the Labour Ministry and the CGT. Alderete reportedly expressed concern over Sourrouille's recent assertion that the economic policy would not be changed, but Ubaldini said "we will wait for Alderete to take charge of the ministry to see about that."

However, Ubaldini warned that if Alderete were to fail in this respect, "he knows what he has to do."

FURTHER ON MILITARY HUMAN RIGHTS TRIALS

Court: Officers 'Rebellious'

PY012236 Buenos Aires BUENOS AIRES HERALD in English 1 Apr 87 p 11

[Text] The Federal Appeals Court has formally declared retired Navy Captains Jorge Vildoza and Horacio Estrada and retired Buenos Aires provincial police Inspectors Miguel Kearney and Oscar Penna "rebellious" in relation to the human rights violations files known as "ESMA" [Navy Mechanics School] and "Camps II."

While the first includes all human rights crimes committed at the Navy Mechanics School, the second holds all charges against Buenos Aires police officers while retired General Ramon Camps was at the head of the force.

The court has notified its move to the Defense Ministry and the Buenos Aires provincial police chief, as the military code stipulates that rebellious officers must be cashiered through administrative means.

The court claimed that the period of time officially set requesting the presentation of the officers had expired without their turning up.

Vildoza, who is thought to be holding the children of a missing couple, is known to be a fugitive from justice. Estrada, who was summoned for last February 25, was excused at the time by his lawyer, who claimed Estrada was abroad. He was granted an extension on his deadline but again failed to attend, questioning the competence of the court to try him.

Meanwhile, Defence Secretary Alfredo Mosso yesterday admitted the possibility of an amnesty being passed after President Raul Alfonsin's mandate is over.

"Neither the Defence Ministry nor the executive is considering it at the moment, but time heals wounds and overcomes difficulties."

He also requested that the Supreme Court issue a ruling on the concept of due obedience, and said that the case against Camps was a good one to do so.

Mosso pointed out that the cases of torture and murder would be difficult to prove "so not all 250 or 260 (officers charged with human rights violations) will be convinced."

Meanwhile, retired General Acdel Vilas, former Fifth Army Corps deputy commander, yesterday showed the Bahia Blanca Federal Appeals Court judges the clandestine detention centre known as La Escuelita, which operated under the jurisdiction of the Corps.

Vilas, whose detention was ordered on Monday night, showed them the place at his own request. Current Fifth Army Corps Commander General Enrique Bonifacino was present.

The president of a military officers' grouping, retired Brigadier Federico Alsogaray, was yesterday slapped with a 30-day arrest on account of a document he wrote pointing to the tense situation amid officers over human rights trials.

Navy Chief-of-Staff Rear-Admiral Ramon Arosa yesterday met for the second time with the retired admirals who are detained at the Bahia Paraiso military ship in relation to the ESMA file. The accused officers, meanwhile, considered "a great offense" the Appeals Court's decision to have the official defence attorney look at the ESMA file in case problems should arise with the privately-appointed defence counsels.

POLICE ATTACK CONSTITUENT ASSEMBLY MEMBERS

PY011512 Brasilia Domestic Service in Portuguese 2200 GMT 31 Mar 87

[Excerpts] [Passage omitted] Deputy Valmir Campelo has repudiated the violent actions of the Brasilia Police against Constituent Assembly members Augusto Carbalho, [name indistinct] (de Souza), and Mauricio Correa.

According to the congressman, the Constituent Assembly's leadership must adopt energetic measures to prevent a repetition of this type of incident and thus establish the independence of the Constituent Assembly itself.

Senator Mauricio Correa said he has been in Brasilia since 1961, and has never before observed such violent police actions.

The senator thinks the Constituent Assembly must request the president to immediately remove Governor Jose Aparicio de Oliveira, who is responsible for the actions taken against members of the Constituent Assembly and bank employees. [passage omitted]

Acting in accordance with regulations, Deputy Carbalho has asked the leadership of the Constituent Assembly to investigate the incidents that took place in the plaza located in front of the Bank of Brazil to find those responsible.

Carbalho has requested that Governor Aparicio testify before the plenum to establish whether the police violence was the result of orders issued by the government of the Federal District. [passage omitted]

Guimaraes Comments

PY011654 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 1 Apr 87

[Text] Deputy Ulysses Guimaraes, president of the National Constituent Assembly, wants to punish those responsible for yesterday's attacks against several assembly members, who came out in support of the bank workers strike in Brasilia.

Guimaraes said he received a report on the attacks suffered by the deputies and senators. Guimaraes added that their immunity is important because they are members of the Constituent Assembly. He indicated that he already contacted Justice Minister Paulo Brossard and asked him to take the necessary measures to solve this problem.

[Begin Guimaraes recording] We are going to demand an investigation in order to defend the congressional immunity that was violated. [end recording]

Ulysses Guimaraes also admitted that the sovereignty of the National Constituent Assembly was affected by this event. At the end of the Assembly's session yesterday, a document with the signatures of all the party leaders was delivered to the Assembly's leadership to summon Brasilia Governor Jose Aparicio to testify on the attack.

FUNARO SAYS CREDIT RENEWAL 'SIGN OF CONFIDENCE'

PY011638 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 1 Apr 87

[Text] All commercial banks operating in Brazil have renewed short-term credits, totaling $15 million, to finance the country's imports. This announcement was made by Finance Minister Dilson Funaro who views the international banks' decision as a sign of confidence in the President Sarney government.

PORTUGUAL'S SOARES ON SOLIDARITY, RELATIONS

PY011818 Brasilia Domestic Service in Portuguese 2200 GMT 31 Mar 87

[Excerpts] [Passage omitted] Portuguese President Mario Soares arrived at the Ipiranga Monument in the company of Sao Paulo Governor Orestes Quercia at 1345 [1645 GMT]. He laid a wreath down and listened to the Brazilian and Portuguese national anthems, which were played by the Military Police Band. He then spoke about the important role his country can play for Brazil as far as the EEC is concerned.

[Begin Soares recording] Portugal is a vote and a voice in the EEC, a 12-member market, and therefore ours is a very valid vote. Our voice fully expresses its solidarity with Brazil. [end recording]

Regarding the suspension of interest payments on the foreign debt, the Portuguese president reiterated that Brazil has Portugal's full support. Regarding an expansion of bilateral trade, he said that one of the main objectives of his trip was precisely to discuss bilateral trade. [passage omitted] In another contact with the press, the Portuguese president stated that he intends expanding Portuguese-Brazilian relations in the fields of university education, technology, science, and especially in the economic sector. [passage omitted]

MILITARY TO STRENGTHEN BORDER AGAINST TRAFFICKERS

PY311816 Madrid EFE in Spanish 1627 GMT 30 Mar 87

[By Adalid Cabrera Lemuz]

[Text] Rio de Janeiro, 30 Mar (EFE) -- Military and police authorities reported today that Brazil will strengthen its borders with Bolivia, Colombia, and Peru as a part of the struggle against international organizations of drug traffickers that "have reached a pact" with guerrilla groups operating in the region.

Army Minister General Leonidas Pires Goncalves has admitted it will be difficult to fight the cocaine traffickers who use the 8,000-km long border to smuggle drugs into Brazil and then ship them to the United States and Europe. Military organizations have detected the activities of guerrilla organizations in those regions, especially of the "19 April Movement (M-19) (Colombia) and of the "Shining Path" (Peru) which protect the drug traffickers in exchange for cocaine, which they sell to finance the purchase of weapons.

Within the next few months the Brazilian Army intends to implement the so-called "Calha Norte" project which will help reinforce control of the 2,000-km border that extends from Colombia to French Guiana, passing through Venezuela and Suriname.

This project includes the installation of special regiments trained in jungle combat and the construction of landing strips for reconnaissance planes whose mission will be to detect clandestine airstrips for traffickers' small planes and coca leaves plantations existing in the states of Amazonas and Mato Grosso.

In 1986, a military operation conducted in Acre, on the border with Bolivia and Peru, uncovered that the Peruvian guerrilla group "Shining Path" was protecting drug traffickers' clandestine airstrips, according to unofficial military reports. According to that information the Peruvian military command, headquartered in Iquitos, warned the Brazilian military border command that "Shining Path" guerrillas are protecting the activities of the drug traffickers on the border zones of the two countries with Bolivia. These reports are in keeping with investigations carried out by the U.S. DEA. Last week, DEA administrator John Lawn released in Sao Paulo a report to police chiefs of 25 Latin American and European countries in which he stated that "drug traffickers' groups have signed alliances with guerrilla movements." According to the report, drug traffickers have sophisticated weapons and a fleet of airplanes that take off daily from Bolivia, Colombia, and Peru for the Brazilian Amazon region. These planes carry cocaine.

The economic power generated by drug trafficking, some $400 billion yearly, makes this activity the third most profitable in the world, surpassed only by oil exports and weapons sales.

Brazilian Federal Police Chief Romeu Tuma has stated that the international drug trafficking groups that operate in Colombia, Bolivia, and Peru smuggle cocaine sulphate into Brazil which is then purified and sold on the local market, and shipped to the United States and Europe through various routes. Brazil is running the risk of becoming the main world exporter of the drug because of the action of the trafficking groups which have installed laboratories and have even begun plantations of coca leaves in the unfathomable regions of the Amazon.

PANAMA'S NORIEGA ARRIVES FOR DEA MEETING 26 MAR

PA260431 Panama City Televisora Nacional in Spanish 0000 GMT 26 Mar 87

[Excerpt] General Manuel Antonio Noriega arrived in Rio de Janeiro yesterday as the head of the official Panamanian delegation to the conference of organizations charged with curtailing drug trafficking in Latin America. The conference held under the auspices of the U.S. DEA seeks to strengthen the exchange of information and coordination of efforts to eradicate the cultivation, processing, and distribution of narcotics, the final destination of which are the United States. [passage omitted]

PRESIDENT SARNEY RECEIVES MESSAGE FROM IRAQ'S SADDAM

JN281009 Baghdad INA in Arabic 0955 GMT 28 Mar 87

[Text] Brasilia, 28 Mar (INA) -- Brazilian President Jose Sarney has received a message from President Saddam Husayn on bilateral relations and prospects for their development. Hasan 'ali al-Amiri, RCC [Revolutionary Command Council] member and trade minister, conveyed the message during a meeting with the Brazilian president in Brasilia last night. Hasan ali al-Amiri arrived here on Thursday to lead the Iraqi delegation to the meetings of joint Iraqi-Brazilian Committee for Economic and Technical Cooperation.

PAPER DISCUSSES SURINAMESE GUERRILLA ACTIVITIES

PY281509 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 27 Mar 87 p 7

[By Roberto Godoy]

[Text] Guerrillas in Suriname, a country populated by 300,000 people on Brazil's northern border, have in recent weeks attacked several police stations and Army detachments located 20 km outside Paramaribo, the country's capital. Foreign correspondents have not been able to file reports abroad on these actions. The situation is tense. Last Wednesday a bomb exploded near Zelandia Fort before it could be launched against the living quarters in Government Palace. The bomb went off too soon, possibly because it malfunctioned. Beforehand, the rebels killed four soldiers of the internal security militia. Surinamese leader Desire Bouterse has announced that "nothing will impede" the promulgation next week of the new national constitution, which provides for general elections in 1988.

The opposition headed by the outlawed Suriname Liberation Council affirms, meanwhile, that the promised constitution is nothing but a political instrument in the hands of Bouterse, who is trying to obtain economic assistance from the Netherlands, which may have tied the concession of a $1-million credit to the democratization of the former colony. Yesterday, former President Chin A Sen, who is exiled in Amsterdam, traveled to Washington with two former aides to request help from the Department of State.

"Brazil had its chance to help us in the struggle against the Bouterse tyranny, but at the last moment it backed off without any explanation," Simon Beere, spokesman for the Suriname Liberation Council, told O ESTADO yesterday. He recalled that "Chin A Sen recently requested a visa from the Brazilian Embassy in Amsterdam, but the request was not acted upon." In the opinion of Beere, "the involvement of Brasilia with the current rulers of Suriname contradicts the foreign policy traditionally followed by Itamaraty."

In fact, since 1983, when then National Security Council Secretary General Danilo Venturini negotiated with Bouterse a change of position toward Cuba, thus preventing a U.S. military intervention, Brazil has been a sort of guarantor for the current Surinamese regime. It has supplied arms (11 Cascavel and Urutu armored vehicles, in addition to large amounts of ammunition, light rockets, uniforms, and radio communications equipment) and $20-million worth of industrial goods in general to that regime.

Immediately after the agreement was reached, the Brazilian president ordered the National Intelligence Service to set up an "agency" in Suriname to gather information for the Brazilian Government so that it could be in a position to prevent or avoid another crisis.

Receiving minor assistance from Libya, the government of Suriname today is facing a serious internal crisis: foodstuff shortages, frequent electricity cuts, and the bauxite mines have been bombarded by the rebels. Sophisticated household appliances and videocassettes can be found in the stores of Paramaribo, but aspirin tablets cannot be found in the drugstores -- not even matches. Ronnie Brunswijk now leads a rebel force of approximately 200 to 300 men This is an impressive number compared to the country's Armed Forces of 1,200 soldiers. Armed with materiel bought in the black market (automatic weapons, grenades, antipersonnel mines, mortars), the rebel force is receiving the support of many independent sympathizers, who are responsible for the attacks launched last week in Commewiyne Province, near Paramaribo. The rebels, who were initially restricted to the war zone of Albina in the east, have managed to establish supply lines through the border with French Guiana, where they have their headquarters.

POPE WELCOMED BY PINOCHET; SPEAKS AT AIRPORT

PY012219 [Editorial report] Santiago Television Nacional de Chile Network in Spanish at 1900 GMT on 1 April begins live coverage from Santiago's Arturo Merino Benitez International Airport of the arrival of Pope John Paul II.

Coverage begins with shots of the pope's Alitalia Boeing 747 approaching the landing strip and touching down at 1902 GMT. Camera scans crowd waving and holding placards welcoming the pope. Plane taxis toward terminal and stops at ramp. At 1909 GMT, the plane's door opens and members of the pope's entourage, including Chilean Cardinal Fresno begin to deplane.

Shown at the foot of the ramp is Chilean President Augusto Pinochet, flanked by his wife and Foreign Minister Jaime del Valle. At 1915 GMT the pope exits the plane and descends the ramp as a 21-gun salute is heard. At the foot of the ramp, the pope kneels and kisses Chilean soil. He then shakes hands with Pinochet, Mrs Pinochet, and Del Valle. The national anthems of the Vatican and of Chile are played, and the pope greets local dignitaries, including military officers.

At 1929 GMT, the pope and Pinochet mount a podium near the airplane, and Pinochet begins to speak. He welcomes the visitor saying that Chile is a Catholic country. He says Chileans passionately love liberty and respect human life. However, he says, Chileans are also interested in defending the country and promoting the common good.

Pinochet thanks the pope for mediating the 1978 Beagle Channel dispute between Chile and Argentina. He then says: "Your Holiness well knows, as few people do, the serious persecution Chile has suffered and continues to suffer as a result of the expansionist aims of the most extreme, materialist, and atheist foreign ideology ever known to humankind. [applause] Truthfulness is essential to understanding the reality of present-day Chile. The characteristics of this foreign ideology -- hatred, lies, and death -- have deeply disturbed our coexistence and democracy, and have endangered the very survival of our sovereignty and of the values inherent to our own historical and cultural identity." Pinochet concludes his speech at 1939 GMT, having spoken for 10 minutes.

Pope John Paul II begins speaking at 1939 GMT saying that when he kissed Chilean soil, he was expressing his sympathy for all Chileans. He says he is the servant of the servants of God. He expresses admiration for the variety of Chile's climate and topography. Calling his trip one of evangelical purposes, he says: "This is a message that is aimed at promoting throughout the world the victory of good over evil, of love over hatred, of unity over rivalry, of generosity over selfishness, of peace over violence, of coexistence over struggle, of justice over injustice, of truth over lies -- in sum, the victory of mercy, forgiveness, and reconciliation."

The pope proclaims the dignity of the human being. He expresses his eagerness to meet Pinochet and the other members of the government, and to greet all the people, especially, the poor, the ill, and the downtrodden. The pope finishes speaking at 1955 GMT, having spoken for 16 minutes.

The pope then greets some more people, including some crippled children, and a group of people whom the announcer says were injured by terrorists. At 2000 GMT the pope boards his special vehicle and rides around the airport greeting crowds from the vehicle, which joins a convoy and leaves the airport at 2005 GMT. Coverage ends at 2108 GMT.

Violent Protests Break Out

PY012203 Paris AFP in Spanish 2137 GMT 1 Apr 87

[Text] Santiago, 1 Apr (AFP) -- Violent incidents between the Chilean Carabineros police and thousands of demonstrators occurred today in Santiago after the motorcade of Pope John Paul II passed through the densely populated Estacion Central district.

Along the Libertador Bernardo O'Higgins main thoroughfare, thousands of people booed at the police trucks that preceded the pontiff's motorcade while some groups hurled wooden sticks, bottles, and stones at the police.

After the pope's truck had passed through the Estacion Central district, amid the police trucks that protected him, the attacks against the Carabineros grew worse and the police were forced to use tear gas to disperse the people.

The teargassing made some 10,000 people disperse quickly. They had posted themselves in the area since the early morning hours to watch the holy father as he passed by.

Shouts of bread, justice, and liberty emerged from the crowd while the teargassing trucks and the water cannons started acting against the crowd. The incidents spread to Santiago's downtown area, a few meters from the La Moneda Palace, where the police only acted in a persuasive way.

Police Stem Demonstrations

PY020243 Madrid EFE in Spanish 0003 GMT 2 Apr 87

[Excerpt] Santiago, 1 Apr (EFE) -- More demonstrations took place this afternoon in downtown Santiago while Pope John Paul II met with priests, deacons, and seminary students during the first day of his visit in Chile.

The demonstration, which lasted nearly 40 minutes, was staged near the cathedral and the demonstrators shouted antigovernment slogans. Police used tear gas and water cannons to break up the demonstration.

Before this demonstration as the pope traveled from the airport to the cathedral, several antigovernment incidents took place.

After meeting with the clergy, the pope left the main aisle and went to the interior of the cathedral to receive non-Catholic Christians and Jewish communist representatives. [passage omitted]

22 Carabineros Injured

PY020347 Paris AFP in Spanish 0317 GMT 2 Apr 87

[Text] Santiago, 1 Apr (AFP) -- The Chilean Carabineros tonight reported that 22 policemen were injured in different incidents that took place today during the first day of the pope's visit to Chile.

An official Carabineros communique states that seven agents, who were injured in the face and other parts of the body while suppressing vandalism, were sent to the Police Hospital. The other 15 Carabineros were injured while trying to prevent the illegal occupation by about 2,000 slum-dwellers of a plot of land in the Conchali district.

The communique states that the Carabineros were surrounded and attacked with rocks and knives. The Carabineros were thus forced to counterattack with tear gas and rubber bullet guns to repel them.

30 ARRESTED DURING ANTI-PINOCHET PROTEST

PY312309 Paris AFP in Spanish 2233 GMT 31 Mar 87

[Text] Santiago, 31 Mar (AFP) -- Police sources have reported that 30 people, including a priest, were arrested today in Santiago during a street demonstration organized by opposers to the military regime of President Augusto Pinochet.

The authorities did not report the name of the priest, who is a foreigner, but they warned that he may be denounced and turned in to the church hierarchy. The priest was arrested during a frustrated attempt by a hundred homeless people to occupy an empty plot of land in Santiago. The police shot in the air and beat the demonstrators with clubs. One individual was injured and 20 others were arrested.

Another street riot took place in front of the Santiago Technical University in downtown Santiago. The police arrested a dozen students who were participating in a march and shouting against the regime. According to witnesses, the students tried to block the traffic by throwing stones against cars and causing damage. The police used teargas and water jets to control the situation.

NATIONAL PATRIOTIC CIVIC MOVEMENT CREATED

PY280056 Santiago Domestic Service in Spanish 2200 GMT 27 Mar 87

[Text] The Patriotic Civic Movement [Movimiento Civico Patriotico], known as MOCIPA, has been created in a formal ceremony. It is headed by metalworkers leader Manuel Contreras Loyola. It is defined as a people's movement intended to unite all Chileans without distinction of classes, in order to organize a national force capable of upholding the spiritual, political, social, and economic values, and keeping the nation on the path to future greatness. The general meeting to formalize the creation will be held on Saturday, 28 March, at 1100 at 162 Santa Lucia Street. Contreras Loyola has reported that 80 delegates from throughout the nation will participate in this meeting, which will last the entire day.

At this meeting, the delegates will discuss the declaration of principles and the movement's platform at the national, regional, and city levels. They will also elect secretaries of the industrial, professional, student, and general population sectors. At a plenary session, they will assess all projects of the current government, since 11 September 1973, and its future projects.

Contreras Loyola has reaffirmed that MOCIPA will not be registered as a political party. He said it will be a movement of independent and patriotic citizens who will project the work of the current government beyond 1989.

HEALTH WORKERS OCCUPY FRENCH EMBASSY 1 APR

PA011838 Bogota Inravision Television Cadena 2 in Spanish 1730 GMT 1 Apr 87

[Report by Pilar Calderon]

[Text] Today at 1015 approximately 40 health service workers from Santander peacefully occupied the French Embassy in Bogota. The workers, who are now in the embassy parking lot, some of them chained to vehicles, are demanding that the government comply with agreements signed with the previous health minister. The agreements followed a strike and an organized march carried out early last year. The workers are also demanding the rehiring of fired workers and payment of their wages:

[Begin relay] [Labor leader Jaime Arias] We also want the Santander health budget to be increased. The problem is acute, because there are 36 hospital that are all but closed. Almost nobody receives medical treatment in Santander. Other than first aid, there is no real health treatment in Santander.

[Calderon] The occupation was carried out peaceful and there were no injuries; however, there were some gunshots.

[Security guard Farid Murcia] A person knocked at the embassy door, the doorman opened the door, and then the crowd s.ormed in a matter of seconds. I was frightened and said to myself: They have occupied the embassy. I stood in the corner and observed this while holding my revolver in my hand. I thought it was guerrillas.

The policeman who stands in front of the embassy came here from the corner where he had detained an individual earlier. He came here, and when he pulled his revolver out, he was held -- well, I realized this -- to prevent him from wounding one of the people entering the embassy.

[Calderon] The arrival of Pierre Neraud die Mouton de Boisdeffre, the French ambassador in Colombia, is expected soon. The workers have asked him to mediate with the government. Colombian authorities cannot enter the embassy because it is considered French territory. [end relay]

Further Details on Occupation

PA020139 Madrid EFE in Spanish 0047 GMT 2 Apr 87

[Excerpts] Bogota, 1 Apr (EFE) -- The 42 workers who occupied the French Embassy in Bogota this morning will spend the night chained to the vehicles in the parking lot of the building if the negotiations do not reach a satisfactory conclusion, spokesman reported.

Eight hours after the occupation which began at 1015, French Ambassador Pierre de Boisdeffre, was speaking to a government envoy who has not yet been identified and with Jorge Carriilo, president of the Sole Central Organization of Workers (CUT), and two occupiers.

The press attache of the French Embassy, Stefan Carderan, told EFE at 2200 GMT that "it is not envisaged" that the mediation by Boisdeffre will provide a solution to the conflict today. The terms set by the occupiers to vacate the building are that the police do not enter the building, that the occupiers' safety be guaranteed, and that the government agrees to resume the dialogue on their wage demands and that personnel who have been fired be reinstated to their posts. [passage omitted]

At noon the occupiers sent EFE the copy of a letter addressed to the French ambassador requesting asylum according to the international law on asylum and diplomatic mediation to obtain solutions to their demands. [passage omitted]

This afternoon hundreds of members of the Santander Department Health Union, occupied the cathedral of Bucaramanga and the principle churches of eight municipalities in that department in support of the embassy occupiers.

Hector Rueda Hernandez, archbishop of Bucaramanga and president of the Episcopal Conference, granted a short deadline to the workers to vocate the cathedral, threatening to evict them by force. [passage omitted]

Six hours after the occupation, President Virgilio Barco began a meeting with Foreign Minister Julio Londono, with the ministers of labor and health, and representatives of the workers, to seek a solution to the conflict.

BRIEFS

DRUG MONEY IN INDUSTRY -- Colombian Agriculture Minister Luis Guillermo Parra has reported the existence of drug traffickers' "hot money" in the country's livestock industry. During a meeting, Parra said that people linked to drug traffic have invested in the livestock sector to make their income legal. He warned that the government will take the necessary measures against this. Local entrepeneurs refuted Parra's remarks and Raimundo Sojo Zambrano, president of the Association of Colombian Cattlemen, FEDEGAN, termed them "false." [Summary] [Hamburg DPA in Spanish 1900 GMT 1 Apr 87 PA]

AGREEMENT WITH NETHERLANDS ANTILLES -- Bogota, 30 Mar (DPA) -- It was revealed today in Bogota that according to a trade agreement signed by the governments of the two countries, Colombia will send coal and petroleum to the Netherlands Antilles for storage and distribution to other Caribbean countries. The agreement aims to promote bilateral trade. [Hamburg DPA in Spanish 2046 GMT 30 Mar 87 PA]

COURT ACCEPTS BOND, ORDERS VARGAS' RELEASE

PA011458 Quito Voz de los Andes in Spanish 1215 GMT 1 Apr 87

[Text] The military court has ordered that former Air Force Commander Lieutenant General Frank Vargas Pazzos be released subject to the payment of a fine of over 5 million sucres, which will be paid by the Social Christian Party [PSC] in an effort to preserve peace in the country.

The decision was announced by Major Marco Granja, secretary of the military court:

[Begin Granja recording] The writ submitted by PSC National President Camilo Ponce Gangotena is to be added to the record. Because the bond proferred by the appearer [comparecient] meets the legal requirements established in Articles 183 and 190 of the Code of Common Criminal Procedure [Codigo de Procedimiento Penal Comun] -- which states that either the defendant himself or some other person may post bond on his behalf through the delivery of cash or certified check -- and has been declared admissible and lawful, I accept it and order the revocation of the arrest warrant issued against the defendant, Lt Gen Frank Vargas Pazzos, now in inactive service, and, consequently, his release. [end recording]

Now we have statements by National Defense Minister Medardo Salazar Navas about the action taken by the military court, Vargas' release, and the trial of the Ecuadoran Air Force [FAE] commandos:

[Begin recording] [Salazar, in progress] ...absolute, total [word indistinct] the president of the military court. He has acted in a legal manner that is in complete adherence to the pertinent regulations. He has opted to authorize the bond; this action is an exclusive function of the president of the military court.

[Reporter] What is your view of the court martial of the many FAE commandos?

[Salazar] [Words indistinct] the military court is a totally impartial and independent body that acts (?according) to the laws [words indistinct] analyze each case individually. [end recording]

Vargas May Run for President

PA011601 Paris AFP in Spanish 0811 GMT 1 Apr 87

[Text] Quito, 31 Mar (AFP) -- Frank Vargas Pazzos, former Ecuadoran Air Force [FAE] commander, came out of hiding this afternoon and said he "will not turn down" the request from political sectors and citizens to seek the nomination for president in the January elections.

Vargas rejected the bond posted by the Social Christian Party [PSC] but acquiesced in shelving the arrest warrant against him, adding that he will engage in politics because his release is legal.

The unruly general rose up in arms in March 1986, but his movement was crushed and he was arrested 8 days later. However, 80 FAE commandos later kidnapped President Leon Febres Cordero and then exchanged him for their former commander.

While in captivity, the president legalized the amnesty Congress granted to Vargas in November, but an arrest warrant [against Vargas] for irregularities in the purchase of a plane was still in effect. This warrant was voided today by a resolution of the military court.

In a surprise move, Febres' party, the PSC (a conservative party), yesterday posted the $35,000 bond required to lift the arrest warrant against Vargas.

This afternoon, Vargas said: "If political parties and distinguished citizens propose it, I have no reason to shirk the responsibility to seek the presidential nomination."

Two of the four left-wing political parties that are in the process of forming an alliance for the coming general elections have proposed that Vargas seek the presidential nomination.

"From the government and, above all, with the corresponding power I will be able to solve the problems plaguing the Ecuadoran people," Vargas noted.

This act "places me under the obligation to change the history of this people, so some day the people will govern and their aspirations and hopes will be fulfilled," he added.

Vargas said that he accepted "the offer from the Ecuadoran people" to help pay this "vile and wicked" amount of money (the bond) imposed by a judge who has no dignity." [quotation marks as received]

He said the funds that may be obtained during the "sucre" (Ecuadoran currency) drive will be distributed among the relatives of the FAE commandos who are being court martialed for kidnapping the president.

For his part, PSC director Camilo Ponce said that the money was contributed by PSC members and that it will be given to the relatives of the 10 victims of Vargas' "two coup attempts" when the trial is over.

GOVERNMENT ALLOWS REOPENING OF RADIO STATIONS

PA020035 Quito Voz de los Andes in Spanish 1130 GMT 1 Apr 87

[Text] On Tuesday, the national government decided to allow the reopening of three Quito radio stations -- "Democracia," "Exito," and "El Sol" that were closed after the national workers strike on 25 March.

The decision was made after the government authorities met with the directorate of the Ecuadoran Radio Broadcasting Association [AER]. Interior Minister Luis Robles Plaza gave some information on this:

[Begin recording] [Robles] The AER directorate talked to me to try to suspend the measure taken by the government, a measure -- I repeat -- that was taken by the director and manager of [acronym indistinct] under absolutely legal procedures. Unfortunately, circumstances forced that official to take the measure. We talked for a long time with the AER directorate. Subsequently, I talked to President Leon Febres Cordero about the problem. I presented the various viewpoints and criteria, and President Febres agreed to lift the closure as of this moment.

In my meeting with the AER directorate and within the framework of absolute historical independence that characterizes its members, we agreed that at a specific moment, it will be valuable for the ethics commission, which is part of AER, to review in depth the cassettes that are the object of the accusations so they can take certain measures and even present a report that could prevent future regrettable events such as the ones taking place at present. [end recording]

AER President Jorge Aguilar pointed out the government's sensibility regarding its decision to allow the reopening of the three Quito radio stations:

[Begin Aguilar recording] We are sure that this action ordered by the national government will produce a necessary discussion. I think it is time for all Ecuadorans -- both the government and the citizens -- to have a single duty of seeking peace for the country by all means, because that is the only way to achieve progress and understanding. [end recording]

Finally, the AER president encouraged the media to make efforts on behalf of the country.

CENTRAL UNIVERSITY MAY RESUME OPERATIONS

PA302236 Quito Voz de los Andes in Spanish 1130 GMT 30 Mar 87

[Text] The Central University may open its doors today when the 50,000 students who have been summoned by their organizations to resume classes respond to that call. Now that the closure of the university is in its 4th week, students and faculty are pressing for a resumption of activities.

The strike is being held by the administrative department, which has not been paid since December. This situation has prompted employees and laborers of the department to demand their salaries. However, the crisis affecting the university is not only administrative or economic. It is a total crisis that affects the very foundations of the university. In response to this reality, there is an internal effort for a second reform aimed at modifying the academic structure, the economic bases, and the administrative organization.

STROESSNER SPEECH INITIATES CONGRESSIONAL SESSION

PY012048 Asuncion Domestic Service in Spanish 1206 GMT 1 Apr 87

[Speech by President Alfredo Stroessner on opening the 1987 congressional session from the National Congress in Asuncion -- live]

[Excerpts] Honorable members of the National Congress: In compliance with Article 180, Clause 10, of the Constitution, I have come here to inaugurate the legislative period of the current year, and to give an account of the government's work since 1 April 1986 to this date.

I am pleased to have come to this sacred Hall of Laws with the conviction that I am responding firmly and resolutely to the confidence with which the Paraguayan people honor us. The Paraguayan people have entrusted to us the constitutional government. We are living under a state of law, freedom, and a representative democracy.

We have not come here to cite mere projects, or sterile abstract ideas, or to deliver a merely rhetorical speech, because work has been, is, and will be our daily offering to the highest interests of the Republic. [applause]

I want to mention the great achievements that can be seen throughout the national territory, because policy for us is dignity, efforts, and patriotism at the service of Paraguay.

Our words are filled with optimism on contemplating the country's current image. Anarchy and backwardness are things of the past. There is tranquillity and order with the framework of law. There is progress under the thrust of a new mentality which has overcome pessimism and idleness of past governments, to tirelessly establish the landmarks of a progress that no one can stop because it is the development of Paraguay toward a high and enlightened destiny. [applause]

There is no room for those who only indulge in gloomy predictions or express disheartedness and weakness of spirit. The Republic is walking toward a clear horizon. The government and the people are working faithfully on a land liberated from the hatred which caused much damage to the Paraguayan people; people who, before this period suffered the horror of fratricidal revolutions and coups. Today, however, we live in peace and tranquillity, with the pride of having regained the path of history, and with the certainty of participating in building a beautiful and magnificent future. [applause]

We have no failures to report, but achievements to submit to the people's consideration, because the government's action is inspired by what the Paraguayan people feel and desire. We are not guided by strange doctrines, and we are not interested in certain foreign interpretations regarding our national situation. The people are the inspiration of our actions, the spirit and the brain of our democracy. And the people are supporting us with loyalty that honors us and with an affection that thrills us in the daily task of enhancing the fatherland. [applause]

The whole world knows that Paraguay lives in peace, has achieved extraordinary progress, and that the nation is happy. This is the only thing that matters. Everything else is just rubbish blown by the wind. Only the truth prevails, and our truth is our freedom, security, and human rights which no one will ever take from us. [applause]

The situation is clear. There is no terrorism, there are no street demonstrations, there is no alarming unemployment rate, there is no difficult economic situation, there are no serious social or political crisis. All rights are respected within a climate of security. [passage omitted]

Paraguayan democracy is based on the ideals of patriotism and freedom. Our national honor does not permit foreign powers exerting their influence in matters exclusively Paraguayan. We categorically maintain our self-determination, because this is the only way can we defend that which has been inherited from our forefathers. [applause]

It is not proper for Paraguayans to seek foreign support for antipatriotic objectives. We Paraguayans praise our capacity to forge our destiny and we will never allow foreigners to dictate the paths we follow. [passage omitted]

And so we say that Paraguayan problems will have Paraguayan solutions. This will always be the slogan to define the national spirit which will always succeed and will stand out above traitors and those who sell out the country. [passage omitted]

We are speaking on behalf of the people and with the right granted through the vote in clean and honest elections held with no incidents that could have tarnished their significance. A few antidemocratic people, who are enemies of the vote, comprise irregular groups that insolently and unconstitutionally dare to speak in the name of the people, make inflamed proclamations on human rights and ally themselves with elements of international subversion. They claim to be interested in the national destiny and conspire as traitors against the Paraguayan sovereignty, foregetting that the country, because of its worthy presence in history and because of its moral structure will never be tied to the wagon of satellite countries. [applause] [passage omitted]

Democracy means casting the votes in the ballot boxes and respecting the people's desires. Democracy is not uttering empty phrases or using demagoguery. Civic awareness is honored by respecting the law, without disrupting peace and harmony. [passage omitted]

Some make use of the freedom of the press that exists in the country to engage in abuse. This represents sabotage to peace and coexistence. There are newspapers filled with pessimism that only publish negative reports. They see everything black. Certain journalists set out to create despair and confusion. The press must not manipulate the honor of the people. It must not be an element of insults, or of frivolous and irresponsible opinions. Freedom of expression must not be confused with freedom to defame or to incite thoughtless, impulsive, antisocial actions. Journalism that informs objectively, impartially, and guides patriotically is that which serves peace and inhances democracy. [applause] [passage omitted]

Honorable members of the National Congress: We have a clear, respectful, and consistent, foreign policy which defends the highest interests of the Republic. It also respects the principles of the international law. We project abroad an image of the serene and constructive peace we Paraguayans enjoy, an clean and open spirit, a loyal thinking, and a generous spirit at the service of strengthening reciprocal and friendly cooperation among friendly nations. We firmly maintain the principle of nonintervention in domestic affairs of other states and the self-determination of nations, and as we respect the sovereignty of other states, we demand respect for our sovereignty.

The legal equality of nations is the cornerstone of international relations, and their unrestricted maintenance serves peace and harmony, which are essential values of mankind. We do not go to the international forums with second intentions, or with ambiguous positions, or with an attitude contrary to coexistence among nations.

We actively particpated at the United Nations and at the OAS, with irreproachable behavior and respect for the free world. [passage omitted]

Honorable members of the National Congress: The Paraguayan people are aware of the fact that they are on the path of history and of the future, and they must remain in that position with all their will and with the indomitable idea that they have been born to forge their own destinies, under the blessing of God. Outside, we are defamed by the totalitarians supported from inside the country by certain turncoats who were born to live on their knees before men with different interests. These interests are contrary to the high national objectives we defend, because we have a government that has not been installed by foreign or illegal means, but by the glorious decision of a free people, the great Paraguayan people. [applause]

There are no mysteries or things to hide here in the country. Those who want to learn about the situation come and find the categorical truth: Paraguay is in peace, enjoying freedom, democracy, and progress without criminal actions on the streets, without the impatience of crowds that cause incidents, without political prisoners, without serious inflationary rates, without hunger, and without deaths due to fanaticism and despair.

A few people who, instead of working, engage in the exercise of hatred, in the exercise of insults, and regrettable efforts to discredit the country. The great overwhelming majority enjoy the peace that the nation is enjoying today. [applause] [passage omitted]

Those who promote nonparticipation in the elections are a group resulting from divisions or subdivisions of opposition parties. These groups are not registered as political parties. They speak, therefore, with no foundation. The electoral struggle is among political parties.

We will continue vigorously, consistently, and firmly to defend this climate of respect for human rights, for public tranquillity, and will promote human activities in political and cultural sectors for the well-being of the Paraguayan people who are enjoying a social well-being as never before. We will prevent all extremism from infiltrating our coexistence and our state of law. We continue protecting our Constitution with the full implementation of the state of law. This Constitution was prepared in 1967 by the people through their representatives grouped in a National Constituent Assembly with the participation of the Colorado Party, the Radical Liberal Party, the Liberal Party, and the Febrerista Party. This Constitution was issued after lengthy and democratic debates.

Peace will be maintained with all the legal instruments that the nation has placed in our hands, and with all the spiritual force of patriotism. The formula of our peace is simple: For the path of law: everything; for the path of subversion: nothing. [applause] [passage omitted]

Honorable members of the National Congress: On opening the new congressional session, I want to express my desire for the success of your deliberations, and I want to ratify my faith in the free and great destiny of the Republic of Paraguay. [applause]

GARCIA INTERVIEWED ON DEBT, RELATIONS WITH MEXICO

PA261300 Mexico City EXCELSIOR in Spanish 19 Mar 87 pp 1a, 20a, 39a

[Report on part one of three-part "exclusive" interview with President Alan Garcia by EXCELSIOR correspondent Ana Maria Urbina at Garcia's office in the Presidential Palace in Lima; date not given -- quotation marks as published]

[Text] Lima, 18 Mar -- President Alan Garcia has described the IMF as the "tutor of the economies of restriction and poverty," which has failed to resolve the foreign debt problem.

Garcia warned international banks and financial organizations that "Latin America is no longer the weakest link (of the financial system); the banks are now." He issued a strong call to the Latin American governments and peoples to put an end to "those paper tigers" and to proceed on "a new situation, a new correlation of forces."

"The day when the Latin American people unite, the imperial ghost that controls the extraction of our resources, our political lives, and that is a constant, threat will disappear." Garcia emphasized this during an exclusive interview granted to EXCELSIOR in which he thoroughly analyzes the foreign debt problem and its negative impact on the Latin America development.

"When will this political and economic unity of Latin America be achieved to face the most urgent problems?...only God knows," the president said. Garcia answered himself after expressing regret about the sad role played by those who are responsible for the Latin America economy.

"I cannot see my economy minister traveling to Washington or to the Paris Club all the time with a suitcase containing a few dollars or proposals. We are forgetting about the economy because we are too busy with emergency financing. We are obsessed with the foreign debt issue and are always waiting for the permament demands of the IMF and of the banks."

For Alan Garcia the highly indebted nations of Latin America "have started an irreversible journey" aimed at establishing a "new relation of forces." However, "unilaterally suspending debt payments will do no good," if we continue practicing 'IMF-type policies' [foundomonetarismo] in our own countries."

In his offices at the Presidential Palace, Alan Garcia made the same kind of remarks about the urgent foreign debt problem, the Central American crisis, human rights, and the internal situation of his country with a view to his upcoming trip to Mexico on 23 March, when he "will arrive in a country whose historic opening is expressed in personalities such as Juarez and, most recently, Lazaro Cardenas. For me, Garcia says, the trip is very important and it is part of the social and historic education that must be practiced by governments with their people. To explain revolutionary Mexico of 1910 to Peru, to explain the first constituion in the world with a social content and the construction of a different and peasant democracy on top of hundreds of thousands of deaths is to open the windows to a very different type of historic action. I believe this is fundamental and substantive, because it opens up the doors to a joint Latin American effort against the imperial power of richer countries of the world, and rediscovers in the unity of our peoples the historic strength they had before.

I believe this is worth much more than knowing if Mexico can purchase some Peruvian iron or if Peru can purchase some Mexican pipes. I belive this is secondary and illegitimate, because the fundamental thing is the historic and revolutionary principle of uniting the Americas.

[Urbina] Peruvian newspapers have stated many times that during your trip to Mexico and your meeting with President Miguel de la Madrid, the Latin American foreign debt will be the main topic. What response do you expect from Mexico in this regard?

[Garcia] "I never said that. I have never proposed an agenda and I never limit my visits to a specific topic. That would be impolite because it would mean I am imposing a topic."

"The whole world and Latin America know that Peru has a very clear position regarding the foreign debt. We consider it to be the modern expression of the imperial domination from which our countries have suffered and are suffering. We reject both the high interest rates they are charging us and the low prices of our raw materials. We reject policies aimed at adjusting economies to make the people pay for the cost of the capitalist financial recovery. We have adopted a nationalist position, which is different from that of the IMF.

The entire world knows it, but Peru is not exporting any model, it does not have a Messianic calling to make all countries do what Peru does. Each Latin American country knows its own reality, its own situation and limitations, and each country is free to act in accordance with its decisions.

"News is made by commentaries in some newspapers, but I do not discuss closed topics. [sentence as published] I make my political actions Peru's message, and Peru's message is an anti-imperialist, Latin American message; however, this does not mean that because I visit a neighboring country as important as Mexico I am seeking profits or that I want to drag another country along the same path. This should be made very clear because it is one thing to hold a definite position regarding the world, and another to try to export that model in a Messianic and even naive manner.

"We do not intervene because of the very principle that Mexico defends: non-interventionism. Therefore, any news [to that effect] is absolutely wrong.

"Now then, it would be ideal for Latin America if the countries that have been historically more determined, with very old cultures, with personalities who have waged anti-imperialist struggles, could, at some point in time, unify their points of view. The day the Latin American peoples unite, the imperial phantom that controls the extraction of our resources, our political lives -- and that is a constant threat -- will disappear. The day our peoples unite, I am certain we will achieve lower interest rates and very long time limits, and there will be no IMF to impose conditions on us that will increase the prices of basic products. This is part of my historic aspiration, but no one can subject a visit to these views."

[Urbina] So then, if the two countries agree in their views on payment of the debt without harming their own development, each country has chosen [as published] a method to solve the problem. You openly advocate continental solidarity on the payments....

[Garcia] It is the most important topic in America. Not only Mexicans and Peruvians agree on this, but all Latin Americans and as well as bankers, credit institutions, and the IMF. This proves that nothing positive comes from merely agreeing in viewpoint.

[Urbina] Do you think in the future and, why not, during this visit, Mexico will come close to the Peruvian position regarding the payment of the debt?

[Garcia] Mexico is in full control of its actions, of its sovereignty. My convictions are very clear: Latin America's destiny is democratic revolution and unity, and the foreign debt is the most important topic for two reasons: First, because it is the most negative problem weighing down our people. The foreign debt conditions our salaries, the prices of our products, the internal distribution of wealth, and our economy's low production.

"Nevertheless, at the same time, the foreign debt has one great virtue. As it is the most serious problem, it is common to the Latin American economy, and it is the greatest revolutionary tool our region has today, if it decides, at some time, to put aside any threat or imposition and make decisions. I can see the future very clearly. I may be wrong, but this is the way I see it. Latin America's path to unity is its democratic revolution, which is irreversible. We all have the same problem, we all sell raw materials at low prices, we all still buy technology and consumer goods at very high prices, we all pay high interest rates, and our debts are increasing.

"However, we have all started out on an irreversible road of five steps. First, the bilateral negotiations in which we have all tried -- I believe with greater or lesser expectations -- to find a better place in this world system by negotiating with the banks and with the IMF. The first step was bilateral negotiations, which took place during the seventies and early eighties. Beginning in 1982, and with increasing strength in 1985, a second step was taken: the unilateral decision all the countries must face. I must say we should understand that just as the creditors have sovereignty and decisionmaking power, we also have these attributes and do not have to waste time seeking conciliation, because we can also make decisions that will move the situation toward a new balance of forces.

"In 1985, Peru decided not to allocate more than 10 percent of its exports earnings to the payment of the foreign debt. The country had been allocating 60 percent. Nothing has happened; they are paper tigers. In 1987, Brazil decided on a moratorium for a huge debt, which has upset the financial system. It is another unilateral decision, but it is only the second step.

"Latin America's third step will have to be a revision of its economic policies. It would be useless to refrain from paying the debt as a unilateral decision if we continue funding policies within our countries without the IMF. This third point is very important because we need to relaunch Latin America's economy, broadening the demands of the popular classes, broadening the demands of the most affected sectors, and reactivating Latin America's industrial and farming possibilities, which were destroyed by an adjustment policy during the seventies.

"The fourth step is unavoidable. We must reestablish Latin America's model of consumption. We have become accustomed to being the last boxcar of international consumerism, a pathetic imitation of the richest countries' way of life. The Third World is not homogeneous, because while the Asians and Africans somehow manage to maintain essential native elements, we, through publicity and consumerism, are educating ourselves in a model of consumption unbecoming to us.

As long as we do not attack this model of consumerism, we will be tied to international industry and worldwide financing. Therefore, we need a spiritual revolution that will relieve us of our anxiety over material goods, a trait that characterizes capitalism today."

[Urbina] Is it not almost impossible to strengthen democracy in a country as fragile as Peru?

[Garcia] That is the challenge. In Lima we have 8 private television channels and 15 newspapers of diverse ideologies. We have the entire gamut of political parties possible.

[Urbina] And economic frailty?

[Garcia] Yes, our economic frailty is enormous but it would be useless to build a materialist state intending to provide bread for everyone if it were to be in exchange for control of their liberty, and for denying them freedom of thought and participation in politics. That, to me, is totalitarianism; I only believe in democratic governments in which there is political participation, critical opposition, and opinions.

"For me, democracy is material as well as spiritual; therefore, those regimes that offer bread in exchange for liberty are, to me, as negative as those that offer liberty while sacrificing bread. My motto is bread with liberty, and the Latin American revolution should use this motto as a slogan."

[Urbina] Is the idea of a "debtors club" still in effect?

[Garcia] The term club disfigures and ridicules the concept. The foreign debt and its solution are reached either through ideological conviction or financial need, because one ceases to pay when there are no dollars. They are reached, nevertheless, and the important thing is not to ask oneself why they were reached or how, but to reach them.

"Whether they are called members of a club or not, whether there is an agreement or not among the debtors, the fact is that in the end as always, the chain will break at its weakest link, and what today's financial world does not seem to be aware of is that the banks are the weakest link. The situation has changed. Latin America is no longer the weakest link. Imperialism's weakest link now is the financial link, and that is where the chain will break."

[Urbina] What solution do you see in the near future for the payment of the foreign debt?

[Garcia] There are countries that are still in the bilateral negotiations phase. Nevertheless, bilateral and political negotiations should be realistic; they call for a series of conditions that complicate the internal economic situation of the countries, unless the policies of the creditors and the IMF were to change radically. This may be unlikely, but not impossible. It is difficult for me to imagine the IMF launching a policy of internal credit within the countries, a policy of egalitarian distribution of income, of national production, but I do not think it is impossible. If this were to happen, things would change. As long as it does not happen, I have said that bilateral negotiations can postpone the problem but will necessarily lead us to unilateral decisin, which would not be immoral because the balance of forces that rule the world is unilateral. After this, there will be a defining of internal economic policy, then a new model of consumer and human society, and, finally, Latin America's unity.

Now, for the time being, we are all trying to solve our problem however we can. I cannot imagine my economy minister simply with a valise containing a few dollars or proposals. The government is meant to govern the country, and the economy minister to economize -- which means production and popular consumption. If the economy minister lives obsessed by the foreign debt, he cannot economize, and the president cannot do so either.

"Therefore, from the 1st day -- 28 June 1985 -- I defined our problems. I said: We are not going to pay any more than this; it is your turn to talk now, but we are not going to live obsessed with negotiations and renegotiations.

"I have seen so many Peruvian economy ministers make so many trips, the same as economy ministers from all over the continent, to negotiate and renegotiate, which makes me say: We are forgetting economy because we are busy with emergency financing, and our countries are very rich. After a period of work, sacrifice, and planning, our countries can overcome any problem. What is happening is that we must organize our societies well, but they cannot be organized if we live expecting the IMF's and the banks' permanent demands. We must tell them: Gentlemen, with due respect, and without any animosity or emotion, we have decided not to assign any more than this to the foreign debt; and that is that."

[Urbina] Has foreign capital been removed from present and future Peruvian investments?

[Garcia] We must clearly define what financial debt and investment capital mean. We have, for example, companies that are very efficient and friendly to Peru, such as the Shell Oil Company, which despite these financial decisions, have not been frightened away like some of our small bourgeoisie companies. Shell has continued its drillings; it has invested $200 million in the country; it has found huge gas deposits that can guarantee Peru's energetic future; and it is now preparing to extract this resource.

"There are several companies functioning because we have differentiated investment capital and placement of interests by credit."

[Urbina] What type of capital will have immediate possibilities in Peru?

[Garcia] We need capital, but the international financial centers need a place in which to invest; therefore, it is not a matter of kneeling and pleading with them to come. They will come if our conditions are realistic. It is a meeting point for investment capital.

"What we cannot continue doing is indebting our countries and seeking credit to pay our previous debts. The payment of the previous debt is postponed, and we have turned to capital investments, which is another thing.

"I am convinced we need the investment centers as much as they need us, and the growth of technology calls for the deployment of technology to different countries and areas of the world. Therefore, it is a matter of waiting with confidence. The laws of economy are inflexible for them too, not only for us."

[Urbina] Peruvian economists are asking themselves what type of economy, what type of well-being your economic plan proposes.

[Garcia] They should look at what has happened in the last 20 months, and confirm that Peru had a growth rate of 9 percent in 1986 -- in 1985, the growth rate was 13 percent -- and the prices of basic products were lower in many cases than in 1985. I have refused to increase the price of bread, which is the same price as it was in 1985; the same with gasoline. This does not mean it will always be this way, but we have given the people a 2-year respite, and domestic demand has increased; that is why the economy is growing. If we continue to pay the debt, the economy will not grow. If we continue allowing the wealthy to continue concentrating wealth in the hands of a few -- and they export this wealth in the form of dollars -- the economy will not grow, and we will face democratic and social demands. Because of this, we must redistribute the wealth and the state expenses; and to nourish momentarily the growth of industry, we must suspend the foreign debt payments. In so doing, new machinery can be purchased and technology paid for.

[Urbina] Does Venezuela and Brazil's recent rejection of bloc debt negotiation discourage your intention for continental unity?

[Garcia] What encourages me is that these are very long-range objectives. You cannot discourage Latin American unity in 1 day.

Latin America's historical timetable is not measured with a wristwatch like the one I am wearing; it is measured with very long-range goals. Thus with the comings and goings of the political decisions taken, Latin America as a whole is moving ahead in one direction -- its democratic revolution and the greater presence and participation of its peoples.

[Urbina] What do you think will be the future relations between international financial institutions and a continent in which they have so many interests?

[Garcia] One thing is clear; the IMF has been up until now a bad tutor of poor economies; as an inspiration of economic policies of restriction and poverty, it simply does not work.

"It is not that we are against a worldwide institution. We are against the theoretical policies of that worldwide institution. There are two options: If it changes, we must see how we can adapt ourselves to these changes; and if it does not change, there is nothing more we can do but do without the IMF. It is as simple as that.

"The trouble is that there are still many who are still afraid, who have a mythical, magical, and devilish image of those international institutions. These are institutions created by men; they are legal institutions that have no political power; they cannot turn us into toads if we do not do what they say. Nothing will happen if we decide to say goodbye; nothing will happen."

[Urbina] Transforming the debt into investment, which and how many international organizations have replied?

[Garcia] There are institutions that are very different from one another. The IDB has very different characteristics from those of the IMF or the World Bank in certain aspects. These are institutions with which we maintain a fluid relationship because they are financial organizations for development projects. They are very different from banks that make isolated loans. What is very clear is that they will not get paid at the expense of Latin America. We will have to affect liabilities; we will have to greatly extend the terms; we will have to restructure the interest; we will have to repay with products; but we cannot sacrifice the region's growth.

"The bankers know this well, and we have already heard this a long time ago from Mr Kissinger, and he is nowhere near being a communist whom the imperialists reject. They call us communists, but the bankers know we are down a one-way alley; that is why we demand a political solution, and the only way is for them to reply to us in those terms.

"When we decided, in 1985, to repay only with a percentage of our exports, we were convinced that many Latin American countries looked upon the Peruvian Government and me with a mixture of admiration and morbidness, like one looks at a circus tightrope walker and waits for his fall. Well... so far we have not fallen, and there are other countries walking the rope. It is a question of waiting. (To be continued)

U.S. BANK, NATIONAL POLICE STATIONS ATTACKED

PY011842 Paris AFP in Spanish 0755 GMT 1 Apr 87

[Text] Lima, 31 Mar (AFP) -- Police have reported that several subversive commandos tonight threw sticks of dynamite at a police station and four bank branches. One of the banks is the U.S. First National City Bank. The windows of the building housing the First National City Bank were blown out, but no major damage occurred.

Other terrorist commandos simultaneously threw sticks of dynamite against the offices of three state banks.

A police station located in the industrial sector of Argentina Avenue, between downtown Lima and the Calloa Port, was attacked with two sticks of dynamite. Policemen guarding the station captured two suspects immediately after the attack.

This morning 10 offices of the governing APRA [American Popular Revolutionary Alliance] Party were also attacked. In these attacks, sticks of dynamite were thrown from automobiles.

Neither the Shining Path nor the Tupac Amaru Revolutionary Movement (MRTA) has claimed responsibility for the attacks.

BRIEFS

SMUGGLING VESSELS INTERCEPTED -- Last night Iquitos Customs authorities intercepted the motorboat Andresito where they discovered 8 kg of cocaine concealed under a shipment of brooms. This shipment was bound for Colombia. A few days ago the same authorities discovered another shipment of 4 kg of the same drug concealed in cans marked sardines on board the vessel Rocio. [Summary] [Lima EXPRESO in Spanish 7 Mar 87 p 10 PY]

NAVY COMMANDER VISITS ARGENTINA -- Lima, 24 Mar (AFP) -- Peruvian Navy Commander Vice Admiral Juan Soria Diaz today left for Buenos Aires on an invitation by the Argentine Navy for a 3-day visit. [Summary] [Paris AFP in Spanish 1607 GMT 24 Mar 87 PY]

POPE DISCUSSES HUMAN RIGHTS IN CHILE, POLAND

PY010233 Buenos Aires TELAM in Spanish 2343 GMT 31 Mar 87

[By special correspondent Pablo Babini]

[Text] Montevideo, 31 Mar (TELAM) -- The most significant factor of the first day of Pope John Paul II's tour to South America was his confirmation that he will meet with Chilean opposition members in Santiago, and his direct, unequivocal replies to questions by journalists during his trip from Rome to this capital.

The pope answered "perhaps" when asked if he would meet with Chilean opposition members. However, Vatican Spokesman Joaquin Navarro Valls confirmed that the pope will probably receive Chilean opposition politicians at the Santiago nunciature on 3 April. The spokesman did not specify who the politicians will be, since their names will be determined by Chilean bishops.

During the flight across the Atlantic the pope walked down the Jumbo 747 aisle talking with journalists who asked him mainly about the Chilean human rights situation. When asked if he would mention the human rights issue in Chile and Argentina he replied: Certainly. This is an important part of the church's mission. This issue cannot be eliminated anywhere in the world, he said. Asked if he would specifically mention it before the Chilean government and in other parts of the country, he answered: Yes, the general teachings of the church cannot be ignored, especially in today's world. You should read the "Gaudium et Spest" (Joy and Wishes), document of the Second Vatican Council, which specifies the role of the church in this early world, he added.

While talking with TELAM journalists, the pope said that he had great expectations regarding this trip because he was able to prevent a war between Argentina and Chile. He said: It would have meant war in Latin America. I believe that (at the moment) a Latin American war was possible. Mine is a pastoral visit, he added smiling.

Asked if he believes some change will result from his trip to Latin America, he replied: Yes, we hope so. Things must improve, he stressed. Then he mentioned Christ's petition to Peter, to confirm his brothers' faith. John Paul II explained that Peter's mission was always to confirm his brothers. This is my mission, he said. It is my intention to do everything possible to comply with my mission. By brothers I not only mean bishops, or apostles, but all the people of God, he said.

When another journalist asked him if he would say a prayer for slain President Salvador Allende during his visit to the La Moneda Palace, the pope answered: I do not know what the Chilean Bishops have planned.

Since the journalist persisted on the subject of whether he would say a prayer there or somewhere else, the pope in turn asked: Is he the only one who died? Then he added: We pray for all, for all.

He was then questioned about the [word indistinct] in Argentina, to which he replied: It seems good. I believe that it will take spiritual strength to respond to the challenge of the times. In these times there are currents of opinion and dialogue that are not always in agreement with the Gospel. This is why the building of a new society calls for great strength and, especially, active support for Christian ideas, he stressed.

Asked to explain the difference between the Chilean and the Polish situations, the pope answered in Latin: Comparatio Claudicat (comparisons are unbalanced). When asked: Unbalanced for which side?, the pope replied: There is a dictatorship in Chile, but, by definition, it is temporary. Asked about the other side, Poland, he said: The situation there does not appear to be temporary. Those people (the Polish) are suffering even more, he added. The pope concluded by saying that he does not see any difference between the Argentine and the Chilean church, a matter he said that has been raised by the press.

ARGENTINE, CHILEAN MINISTERS ARRIVE TO MEET POPE

PY312104 Madrid EFE in Spanish 2021 GMT 31 Mar 87

[Text] Montevideo, 31 Mar (EFE) -- Argentine Foreign Minister Dante Caputo and Chilean Foreign Minister Jaime del Valle arrived this afternoon in Uruguay to sign, in the presence of Pope John Paul II, a document designed to commemorate the Beagle Channel Peace Treaty.

The ceremony will be held at the Taranco palace, where in 1979 the then Argentine Foreign Minister Carlos Pastor and Chilean Foreign Minister Hernan Cubillos agreed not to resort to violence and to accept the Vatican's mediation in the presence of Cardinal Antonio Samore, the pope's personal representative.

Uruguayan President Julio Maria Sanguinetti and Foreign Minister Enrique Iglesias will witness the signing of the document commemorating the Peace and Friendship Treaty, which averted the possibility of a military confrontation between Argentina and Chile.

John Paul II arrived today in Uruguay on a 19-hour visit, which will be the first by a pope to this country.

SOVIET AMBASSADOR PRESENTS CREDENTIALS 26 MARCH

PY281658 Paris AFP in Spanish 1821 GMT 26 Mar 87

[Text] Montevideo, 26 Mar (AFP) -- Igor Konstantinovich Laptev, the newly appointed Soviet ambassador to Uruguay, presented his credentials today to President Julio Sanguinetti. Laptev is replacing outgoing Ambassador Yuriy Lebedev a few months before Soviet Foreign Minister Eduard Shevardnadze and CPSU General Secretary Mikhail Gorbachev visit Uruguay.

Shortly after a brief meeting with the Uruguayan president, Laptev spoke to journalists on the consequences of the streamlining currently taking place in Soviet society, stating that it is aimed at enhancing socialism and democracy.

BRIEFS

CREDIT FOR BRAZIL -- Montevideo, 23 Mar (EFE) -- The Uruguayan Bank of the Republic will grant a $30-million credit to Brazil to finance Uruguayan exports to Brazil. It was reported that the Uruguayan bank will transfer the funds to the Brazilian businessmen through a bank which represents them in New York. [Excerpts] [Madrid EFE in Spanish 0224 GMT 24 Mar 87 PY]

AMBASSADOR TO VATICAN -- Dr Washington Beltran has presented his credentials as Uruguayan ambassador to the Vatican. [Summary] [Montevideo Radio El Espectador Network in Spanish 1600 GMT 28 Mar 87 PY]

PRESIDENT LUSINCHI MEETS WITH SPECIAL ENVOY HABIB

PA011656 Caracas Television Service in Spanish 1600 GMT 31 Mar 87

[Text] President Jaime Lusinchi met today at 1000 with Philip Habib, President Ronald Reagan's special envoy for Central America. Habib, who arrived yesterday afternoon, is fulfilling his mission to maintain permament contact with the Latin American governments, especially with the governments of the Contadora and Support Groups. The Contadora Group's peace mission was one of the important issues discussed by the president and the U.S. special envoy.

LUSINCHI ON ANTI-GOVERNMENT CONSPIRACY

PA312226 Caracas EL UNIVERSAL in Spanish 23 Mar 87 p 1

[By Francisco Melendez Arce]

[Text] Barquisimeto, 22 Mar -- President Jaime Lusinchi reported here a conspiracy by the Red Flag group, supported by drug traffickers. Lusinchi stated upon his arrival to this city to inaugurate a surgery congress that it is no lie or slander that the Red Flag group has launched an operation called "Let Us Break the Silence." Part of the operation involves a series of actions which include jewelry stores robberies and terrorist actions.

I am not inventing anything, Lusinchi told the reporters. He then explained that meetings have been held abroad to discuss the conspiracy against the Venezuelan Government. The first meeting was held in Ecuador and a second one was later held in Panama, where contacts were established with drug trafficking elements.

Lusinchi said he is not afraid and warned that his government is prepared. There is no danger, the president said. He insisted that this is not an invention or a lie, and Venezuela knows this is true. Lusinchi later added that when someone talks about conspiracies the people think about military actions, but that is not so. He specified: Conspiracy is a mental state, an attitude, and a behavior.

Asked about his statement in San Cristobal last week concerning the AD [Democratic Action] victory in 1988, the president reasserted that his party will defeat any COPEI candidate. He added: I have not said anything that the people do not know about, because AD works well, and the government, too.

ARMED FORCES CONDUCT MILITARY EXERCISES

PA271306 Caracas Television Service in Spanish 1600 GMT 25 Mar 87

[Text] The Army, Navy, Air Force, and National Guard continue their military maneuvers in Falcon State. Through these war games, the four branches are trying to evaluate human and technical resources and the country's defensive capacity.

[Begin recording] [Reporter Alexis Rosas] On the instructions of President Jaime Lusinchi, for the execution of the "Liberator Maneuvers," the Venezuelan officers proposed the hypothesis of an occupation of a large part of Falcon, Trujillo, and Tachira States by enemy forces. In a short time, the Army, Air Force, Navy, and National Guard had to organize an attack to recover the occupied territory through forms of defensive maneuvers: infiltration, frontal attack, disruption of enemy lines, and encirclement.

The forces were organized in four groups of joint task forces: the Leopardo combined forces, which would carry out the offensive actions and operate in Zulia and Falcon states; the Tigre task forces, which would act in Paez District in Apure State; the Puma combined forces in part of Apure and Arauca; and the 6th Jungle Division between Caicara of Rio Negro and Puerto Ayacucho. Each of them would be supported by an advance general logistics brigade. The biggest of these is Balaga No 1 commanded by Colonel (Jose Miguel Roberti Loyo). It is in charge of supplying fuel, food, water, armaments, transportation, and engineering, among other things, to the soldiers and officers who comprise the Leopardo task forces. The Leopardo task forces are commanded by Division General (Juan Jose Bastardo Velasquez). All of the Operation Liberty, Liberator Maneuvers are under the command of Division General Simon Luis Tagliaferro de Lima. All of them are under the supervision of the president of the Republic as commander in chief of the Armed Forces; the defense minister; the commanders of the four branches: General Alfredo Sandoval Hernandez for the National Guard, General Ramon Mendoza Ibarra for the Air Force, Vice Admiral Diofante Terrelba Chaparro for the Navy, and General Eliodoro Guerrero Gomez for the Army; General Raul Nicolas Fernandez Hernandez, Armed Forces inspector general; and Vice Admiral Victor Mendez Rea, chief of the Joint General Staff.

[Reporter Bertha Gomez] A large group of Caracas reporters taking the war correspondents course was invited to observe the action by Colonel Pedro Molero Romero, chief of public relations of the Army General Command. The first activity was to visit Balaga No 1, at the command of Colonel (Roberti Loyo), who gave a lengthy explanation of logistics and its importance in any battlefield, especially in the theater of operations which it must serve. As soon as the news about the imaginary occupation was learned, the troops under the command of the colonel installed the camp in 3 hours. From there, the supplies would be sent to the forces that were fighting the enemy on the war front.

The work is considerably hard. The Leopardo task forces are comprised of 14 units, including an armored brigade, an infantry brigade, paratroopers, and marines. Any shortage of supplies that soldiers require could ruin the possibility of recovering the territory controlled by the enemy and endanger many lives, because the Leopardo forces alone comprise about 10,000 men.

The streets of the cities, through which we reporters pass aboard an army bus, are controlled by the National Guard. The officers who accompany us, Colonel Mareno Romero, Major Belandia, Commander Silva, and Captain Pinzas, must say the password. The password is Jimenez Juan Griego first, then Iribarren Isla de Toas, and finally Torres Tucupido. Whoever does not know the password could be considered an enemy, a spy, or a fifth columnist and detained as a result. The civilians cooperate and the Armed Forces reward this cooperation by giving medical assistance, particularly surgery. A number of doctors attached to the four task forces cooperate with the local physicians in giving assistance to local residents.

[Rosas] Everybody on the Leopardo task force staff is active. This group is in charge of executing the strongest offensive. The others back it up. Division General (Bastardo Velasquez) and Brigade General Guillermo Cortes Palacios, second in command, also played host to the correspondents. The operation to repel the invading group will be completed on Friday 21 May.

[Gomez] Paratroopers, amphibious forces, missiles experts, infantry, the armored brigade, and F-16 and Mirage aircraft will get into action at 0730 local time on Saturday.

Meanwhile, the intelligence service tries to assess the strength of the enemy forces. Then will begin the countdown for D-day and H-hour for the recovery of the occupied territory, whose stronghold is Capatarida in Falcon State. We will report about this tomorrow in the second part of this reportage. [end recording]

AUTHORITIES ALERT CARIBBEAN ABOUT LIBYAN OFFICIAL

FL012245 Bridgetown CANA in English 2131 GMT 1 Apr 87

[Text] Caracas, April 1, CANA -- Venezuelan security and immigration authorities have alerted their counterparts in the Caribbean about a Libyan official traveling in the area on a mission said to be related to the funding of a proposed conference of radical political elements in the Caribbean, Foreign Ministry sources reported. Barbados has been identified as the likely venue for the conference.

Without giving specific details about the conference itself, or any indication of the region's radicals who may be involved, the authorities here have identified the Libyan as Abdul Salaam Ashur. The Venezuelan authorities expelled him last February 4 for allegedly being involved in activities incompatible with his diplomatic status (usually a euphemism for spying or terrorism).

He had entered Venezuela after an abortive visit to Trinidad and Tobago on the basis of a three-day transit visa which, according to informed sources here, the Venezuelan Foreign Ministry had issued to the Libyan diplomat in error. Ashur had also run into difficulties last January with the Suriname Government, which ordered him to leave the country after it was claimed that he was involved in the setting up a military training area on the French Guianese border to train French separatists in acts of sabotage and murder.

During his brief stay in the Venezuelan capital, Caracas, Ashur is said to have met with two other Libyan officials, both of whom hurriedly departed from the country upon learning of the impending expulsion of their colleague. From Venezuela, Ashur is reported to have travelled to Madrid and Rome.

According to usually reliable sources, it is Ashur who has recently been travelling in the Caribbean area trying, under the guise of celebrating the 100th anniversary of Marcus Garvey, to sponsor, with Libyan funds, a conference of the region's radicals. First news of such a conference came early last year when the Caribbean National Movement, identified with opposition political figures in such eastern Caribbean islands as Dominica, Antigua, and St Lucia, announced Barbados as a possible venue for their proposed event by July 1986.

The Barbados authorities, in response to inquiries, have stated that they were unaware of any request for the country to be used as a venue for a conference with which Libyan funds may be involved. They said, however that they would take note of press reports on the matter.

DE LA MADRID ON ECONOMY, POLITICAL SYSTEM

PA290325 Mexico City XEW Television Network in Spanish 0530 GMT 27 Mar 87

[Interview with President Miguel de la Madrid by Jacobo Zabludovsky at the Los Pinos Presidential House; in Mexico City on 21 March -- recorded]

[Excerpts] [Zabludovsky] At the Los Pinos Presidential House we have the honor of being received by President Miguel de la Madrid. Thank you Mr President.

[De la Madrid] Thank you for interviewing me in the framework of the excellent series of interviews you have conducted with prominent politicians from throughout the world.

[Zabludovsky] Thank you, sir. This morning I remembered that when you took office you said the country's situation was so grave that Mexico, as a nation, was in danger. Has this situation been overcome?

[De la Madrid] I believe, Jacobo, that although not all the difficulties have disappeared, all Mexicans -- not just the government -- have made an extraordinary effort to overcome the problems suffocating us in 1982. In the last months of that year there were not only very serious economic problems -- such as an inflation threatening to become hyperinflation, that is, inflation out of control -- but there were also problems of eocnomic paralysis, lack of foreign exchange necessary for imports, and export paralysis.

This situation created a climate of distrust and frustration among Mexicans. As I saw it then, there were conflictive opinions among sectors and social groups. This is why I told the Mexicans very honestly that we were in danger and that we had to make a big effort to overcome these problems. These past 4 years have been a period during which there has been, practically without interruption, difficulties, challenges, and new negative situations.

In spite of all this, Mexico has been, as I have said, greater than its problems. We have been overcoming challenges, many of which we had never experienced before. We have strengthened our self-confidence; there is a better climate of national unity; and, why not say it, there is more respect for Mexico at the international level in spite of everything. We notice this in the commentaries being made by a foreign media that has not always been very objective or sympathetic toward us. I believe we are changing our situation. Therefore, I believe we Mexicans have reaffirmed our national goals, we have renewed and reprogrammed them. I believe we are now in a condition superior to the one we were in at the end of 1982.

[Zabludovsky] Yes, 4 years of your 6-year term have already gone by. Do you believe that the projects of your government platform have been accomplished?

[De la Madrid] I believe that some goals have been accomplished, that we have not reached others, and that we have surpassed some original goals.

From the very beginning I told the nation it was necessary to continue improving the democratic planning system we Mexicans have been building for some time. This is not an original idea of mine, it is a plan that Mexico has had for the last 50 years.

I believe that planning for the future, orientations toward goals while having strategies and programs and work, must serve as guidelines for the nation. We have a democratic and participative planning system that is in accordance with our political system, which is pluralist and democratic; and with our economy, which is mixed -- one where the state and the private and social sectors participate.

As a result of this, the plans we have made taking into consideration national public opinion and the interested groups, that is, by consulting the people, are a manifestation of a decision adopted with help and guidance from the government.

Planning is different depending on the sectors of the economy doing the planning. As far as the government is concerned, planning is obligatory. The government adopts a plan, the the existence of the plan is made evident by budgets and programs the Chamber of Deputies has to approve and are later evaluated by Congress. The government also imposes norms on its own offices with a sense of order and discipline.

Regarding the private and social sectors, we say that planning is both inductive and concerted. Inductive because the government, through its legal authority and actions induces certain actions by the community, it does not impose its position by coercion. It is concerted because we coordinate certain programs with the private and social sectors -- with businessmen, workers, peasants and cooperatives.

We do this at the national and state levels.

We must also note that planning in Mexico is flexible and must necessarily adapt to the circumstances. It is difficult to make plans in times of uncertainty and crisis such as we have experiences. However, I believe it is better to have a plan than not to have one and merely adapt to the circumstances because then you become a subject or victim of the situation. Plans have to be adapted to the circumstances. We have had to change the emphasis in some of them. The plans have had to absorb new challenges. However, the direction and orientation of the plans remains the same. I believe that in general terms, in the past 4 years we have directed the country through this planning system with the corresponding adjustments.

[Zabludovsky] Mr President, one of the topics during your presidential campaign, perhaps the most important or well-known, was moral renovation. To what extent has this been accomplished?

[De la Madrid] I believe this criteria or goal is or should be a permanent effort by society. Each society, as well as men themselves have very positive, constructive, sometimes even noble aspects, but there are also negative points, deviations, and corruption. I think it is very difficult to find a system that does not reflect this essence of human nature.

We have accomplished much in the subject of moral renovation. We have amended the Constitution specifically regarding responsibilities of public officials. We have also amended several laws, for example the laws on public works contracts and purchases in the public sector. We have made a better and more accurate definition of some offensive behavior by public officials, such as selling favors or incorrect use of authority for the benefit of that government official. We have been more strict in the control of public expenditures and have set limitations on gifts to government officials, based on a percentage of the minimum salary of the employee. Moreover, we have issued regulations to prevent nepotism, hiring of relatives in the same organization or institution.

Jacobo, I would say we have accomplished much in the preventive measures. We have put more emphasis on preventing rather than correcting or sanctioning. However, with much regret we have been forced to take disciplinary and penal sanctions when we have determined it necessary. We have also made a great effort to strengthen and modernize the administration of justice at the federal level and have promoted a similar trend at the state level. Also, we have made a great effort to purge and professionalize the police corps, and also to recognize good policemen's labor rights, granting them better economic and social benefits as well as professional training. We have improved the police academies at the federal and state levels.

In sum, Jacobo, we have made a very important effort on this subject. However, I admit that we in no way have now a perfect society. A perfect society is hard for a government or a society to achieve. We continue to experience cases of misconduct, a lack of enough social morality. I think this must be a permanent struggle. As I said, human nature is eminently fallible, and just as it achieves great things it is also capable of engaging in negative behavior.

I do think we have raised the standards of morality of public servants in general. We recognize that there are still criminal cases in the lower middle echelons and the lower echelons. I know there are still bribery cases among policemen and the inspectors and perhaps also in the lower echelons of the judicial branch. However, this is a constant struggle, and you have noticed that it is not exclusively a Mexican phenomenon. Practically all heads of state in the world -- whether capitalists, socialist, or advocates of a mixed economy -- are against corruption or in favor of social morality. This is a general phenomenon appearing everywhere in the world, and Mexico is doing its share of the work in a very important manner.

[Zabludovsky] Another general phenomenon is the problem of the economy and finances. Mr President, other countries have adopted radical plans. For instance, Brazil has adopted the Cruzado Plan and Argentina the Austral Plan. You have led Mexico in this aspect of public administration in a different way. Do you think that your government has adopted adequate measures to confront the economic crisis?

[De la Madrid] I think, Jacobo, that the economy has, in fact, been the main challenge faced by this government. In late 1982, the economy was characterized by growing inflation, stagnation, unemployment, and -- as I also said to you -- a certain confusion, a certain lack of confidence. I opted to pursue a policy of gradual adjustment and not of shock, taking into account the practical characteristics of Mexico's economy.

There were theoretical plans with which I was familiar -- shock treatments, as they are called in economists' circles. However, I thought that given our conditions it was best to pursue a gradual policy. I know that other countries, like the ones you have mentioned -- Argentina and Brazil -- and Israel, which is another outstanding case, have adopted very drastic policies fundamentally aimed at curbing inflation very rapidly. Prices, salaries, exchange rates, and interest rates are frozen. The economy is told: just go and freeze there [Zabludovsky laughs] in order for the inflation to abate very rapidly.

After reviewing the problems with my secretaries and my advisers, I reached the conclusion that the characteristics of Mexico's economy did not make measures of this nature advisable. It is very difficult for a mixed economy, where the market mechanism predominates, to freeze prices at a given moment to adopt the major economic decisions. In Mexico, we know from experience that when we freeze prices production drops, and when the output of goods and service drops, black markets and parallel markets emerge, smuggling increases, and production activities are discouraged.

I also feel that freezing salaries is not good. Our principle regarding salaries -- which is based on the Constitution and our laws -- is that salaries are established through negotiation. Minimum wages are fundamentally fixed through the National Commission on Minimum Wages [Comision Nacional de Salarios Minimos] and through regional mechanisms and salaries above the minimum wages are fixed through collective bargaining between employers and unions. Of course, the needs and legitimate aspirations of the workers are borne in mind but the capacity of the economy and the businesses to grant salary increases is also borne in mind. I do not think it is advisable to apply the same yardstick to all firms, all industrial branches, and all of the country's regions because a fundamental value in management-labor relations in Mexico would be lost. It is the value of negotiation, the value of co-responsibility.

To maintain and protect jobs is an important value for employers as well as for workers. Therefore, it is beneficial for employers and labor leaders to openly discuss the situation of the enterprise or industry to determine to what extent it is possible to grant the corresponding modifications in the salaries. We have been doing this in Mexico. We have had a policy of flexible salaries. Moreover, minimum wages have been increased more frequently, and revisions to contracts are being carried out according to the laws. Salary increases are different, according to the company, industrial branch, or region.

Therefore, I thought that an absolute freeze in salaries could have resulted in serious consequences. In some cases, if some companies can grant a larger salary raise because of their economic situation, they should do it. However, if we attempt to put all companies under this same yardstick, they could fail, and workers themselves would suffer the most. Therefore, freezing the economy did not seem to me the adequate path for Mexico, particularly taking into account that Mexico is a very open society. We are neighbors with the most powerful -- economically -- country in the world. We must accept, recognize, and learn to coexist with this fact, for good or bad. Thus, we must try to obtain the greater advantages and diminish the disadvantages. This is another point we should take into account in Mexico to implement our economic decisions.

Jacobo, with this argument, I am not saying that the Argentine or Brazilian plans were incorrect. My principle is that each country should consider its own reality and circumstances, not necessarily the strictly economic factors but also the political and social, and then adopt the corresponding economic policy.

In Mexico's case, I reiterate that this gradual approach or strategy of dynamic adjustments is what makes economic policies feasible. Although we have not accomplished all our objectives I believe that we are on the right path. [passage omitted]

[Zabludovsky] Sir, is there any possibility of [words indistinct] or lowering inflation?

[De la Madrid] Of course, Jacobo. We have already done it to a certain extent. The year 1982 began with a 25 percent inflation rate; we ended the year with 120 percent inflation. A series of instruments or policies were enforced and we managed to lower the inflation rate to 83 to 80 percent. In 1984 we lowered it to approximately 60 percent., We could not do it in 1985 because certain external and internal problems arose and did not let us lower it, so we stayed around 63 percent.

Inflation squeezed us again in 1986; it rose to 105 percent. However, we have already explained that 1986 was an unusually adverse year: the drop in oil prices; the aftermath of the 1985 earthquakes, and a deterioration in the price of merchandise that Mexico sells abroad -- what economists call a deterioration in the exchange terms. We had no net foreign credit throughout 1986 and yet we continued to pay our debt. We implemented a series of measures -- very difficult, very strong -- and, despite the early forecasts in 1985 which predicted 200 percent inflation, we managed to control it. Nevertheless, it grew compared to 1985.

I believe that inflation still represents a serious problem for the country, because it distorts economic decisions, discourages savings and investments, and affects the people's purchasing capacity. Consequently, I believe that we must maintain a strong and steadfast struggle concerning inflation. We are exerting ourselves to attain that goal, and I hope that this year we will attain a partial reduction of our inflation. I already mentioned that we carefully analyzed the possibility of making a drastic reduction, but we came to the conclusion that the danger of a recession could be grave. The government opted for a partial reduction; in fact, we have not even established a specific goal. We simply said that we wanted to lower inflation 20 to 30 percent, depending on many circumstances. We can lower inflation, we must lower inflation to recover our capacity for growth, to create jobs, and to prevent the negative consequences of inflation on the distribution of revenues and social justice.

[Zabludovsky] Mr President, you mention the foreign debt, which is also an international topic. Certain countries have decided not to pay; others have decided to pay after a certain time; others have decided to limit their payments to certain special conditions in the country. Does Mexico foresee the possibility of adopting similar measures?

[De la Madrid] In fact, Jacobo, we have already adopted a series of measures to adjust the foreign debt payments to the real capacity of our country's economy. Remember, in August 1982 Mexico found itself without foreign exchange and had to suspend its payments of the foreign debt interest and requested time to negotiate. Brazil is doing more or less the same thing.

Later, during my administration, we held a series of meetings to renegotiate the foreign debt. During the first negotiation we managed to extend the terms and lower costs, under certain guidelines, which gave us a respite and established better conditions to pay the foreign debt according to our capabilities. The possibility of a moratorium has been discussed in Mexico. Well, the possibility of a moratorium has many aspects, as you have rightfully pointed out. Some believe that the moratorium simply implies beginning with a clean slate. In other words: I owe money, I do not deny it; but I have no money, so I will not pay. That is a simple attitude, but no one has really done that in the world, not even in the past -- except for great ruptures or social conflicts.

Referring to international politics, Mexico advocates a peaceful resolution of controversies because it cannot have a different guideline for foreign debt controversies or conflicts. Consequently, we have preferred to negotiate. The negotiation has been difficult, of course, because the bankers are not characterized by social sensibility. The foreign debt problem caught everyone unaware -- the creditor and debtor governments, the private bankers -- and no one knows how to handle the problem. We have preferred to struggle by negotiating and to gradually advance toward the goal of adapting our foreign debt to our capabilities.

Last year, following the blow dealt by the oil crisis, which involved a loss of $8.5 billion in export revenues, plus the drop in raw material prices and the lack of net foreign credit, we discussed the need to renegotiate terms, costs, and conditions at an early date. We also discussed another possibility, which we had been announcing for some time: In order to pay we must grow; it is not possible or logical that a debtor which reaches a stalemate or even drops its production capacity will be able to continue paying. Consequently, we will renegotiate the debt within the framework of a strategy for growth. We said in February 1986 that, in order to achieve this, we do not only need to renegotiate the current foreign debt service, but we also need additional financing.

Of course, I admit that it is a difficult goal. We are not only saying: We need longer terms and lower costs; we are also saying: Furthermore, we need more loans. Therefore, that was a difficult negotiation. We started that negotiation in February 1986 and concluded it yesterday, 20 March, after 13 months of negotiations.

Those were very complex negotiations; negotiations that involved the need to hold dialogues with governments. Mexico has said that the debt problem is not a problem involving pesos, centavos, or dollars, centavos. [repeats himself] but a political problem.

It is a political problem, becuase it affects the life of nations; it affects its economic and social lives. We cannot handle this problem as just another account in bank records. We exchanged views with governments of creditor countries; we exchanged views with the United States, with the Europeans, and with the Japanese.

We followed the guidelines of an overall strategy that we Latin Americans agreed upon through the so-called Cartagena consensus.

After that, we negotiated with international financial institutions -- we are members of them, and that entitles us to certain rights -- such as the IMF, World Bank, IDB, banks of various countries, and the private banks.

We reached an initial basic agreement based on a plan that Mexico presented to the IMF. We took great pains to have it approved, because it varies from othodox IMF practices, but it finally accepted our plan in the latter part of September 1986. Then, we negotiated with private creditor banks. Jacobo, you cannot imagine how difficult that negotiation was. Bear in mind that we must negotiate with 500 banks. Of course, those banks appointed a committee to represent them all. We established the bases, regulations, and guidelines with that committee. However, after that process, each bank one by one must accept what the coordinating committee of the creditors is negotiating with us. We went through this process gradually to the point that Finance Secretary Petriciolli signed a basic agreement with private banks yesterday in New York. This involves a $60-billion deal. We are sure that about 99 percent has already been committed; I believe that we will reach 100 percent in 15 days, but we are now facing another situation.

The basis of this agreement is a strategy of gradual and moderate growth that takes the Mexican economic plan into consideration. Of course, it is a resonable economic plan. If it had been a whimsical [fantasioso] or utopic plan, it would not have been accepted.

We know how far we can go in our negotiations. I believe this policy has yielded results for us; however, not everything has been definitely settled. I have pointed out that to solve the foreign debt problem, the world trade problem must also be solved, and economic relations among all countries must be reorganized. Relations have not been positive for developing countries and have been particularly very harmful for Latin American countries.

You have exchanged viewpoints with our Latin American brothers and they have all voiced the great problem and great challenge posed for them by the foreign debt problem. However, from the beginning, we have pointed out that we must solve other problems in the international economy, in particular, trade, new financing, technology transfers, and foreign investment. In sum, we seek a world economic system that is more beneficial for us.

However, Jacobo, I have also pointed out that we do not expect the focus of our task or the entire responsibility to rest on the world economy. We know that many problems in Mexico -- and I think other Latin Americans admit this -- stem from internal problems. Those internal problems cannot be overcome by anybody but ourselves. They include: structural imbalances, problems in public finances, the composition of industry, an urban-rural imbalance, and an urban concentration of development.

In sum, there are a number of imbalances that we must overcome with our own determination and actions. This is a mature position, a responsible position. We must struggle both on the foreign front as well as on the internal one.

[Zabludovsky] At any rate, even though this agreement is only temporary, it is still helpful. What is the next step, Mr President?

[De la Madrid] Well, the next step is the economic strategy that we have established in Mexico. We can summarize it as a continuation of adjustments: short-term adjustments in public finances, monetary policy, and interest rates. We also plan to insist on structural changes that we want for the Mexican economy. If we only overcome short-term obstacles and fail to tackle the core of the economic crisis we have suffered, we will continue on the path of recurrent periodical crises. Therefore, for the government that I head, short-term economic restructure and structural change are equally important.

Specifically, our objective this year is to fight inflation and reduce it as much as possible, but at the same time, we want to gradually recover our growth capability. We do not want impatience to carry us away into trying to grow at an excessively fast rate; this would almost certainly push us backward. We also want to deepen structural changes. That is coming up. The flow of foreign resources will afford us more room to maneuver. I hope that economic activity will be reactivated by the second half of the year, and that we will see inflation rates coming down.

[Zabludovsky] Let us discuss international policy for a bit. Let us talk about Contadora. Do you believe that the role and presence of Contadora is still valid? What would happen if Contadora were to fail?

[De la Madrid] Well, Contadora -- and we have frequently reaffirmed this -- is a diplomatic intermediation mechanism for countries of the Central American isthmus. We have been active for 4 years. We have prevented a worsening of the conflict. We have frequently dealt with very specific issues: friction between countries, border conflicts. We have promoted dialogue between them, including one between Nicaragua and the United States on one occasion. Of course, we have not been able to fulfill our objectives.

Our main objective is to bring about a diplomatically negotiated peace. We also want to prevent an increase in military violence, and to promote reciprocal and balanced commitments between the sides in conflict. We want those countries to enjoy development based on peace. it is difficult for those countries -- whose basic problem is economic and social underdevelopment -- to face their great historical challenge in an atmosphere of war, violence, reciprocal distrust, and so on.

It seems to me then, that the conceptual scheme of the Contadora Group is still valid. I also believe my argument is reinforced by the fact that a great majority of the international community has expressed support for the efforts of the Contadora Group. The United Nations, OAS, and the EEC have done so. Of course, Latin American solidarity has been virtually unanimous. The Contadora Group, which was originally made up of Colombia, Panama, Venezuela, and Mexico, now has a Support Group, which is made up of Argentina, Brazil, Uruguay, and Peru.

For that reason, we could say that countries representing 80 percent of the people of Latin America are united and working around the concept of the Contadora Group. However, there is a stalemate, a dangerous conflict, the violence continues, and the problem is not solved.

Mexico has been particularly encouraged by the fact that the Central Americans themselves are assuming their responsibilities. Mexico has maintained that, after all, the political commitment of the Central American countries is what will lead to the sort of agreement we are seeking in the Contadora Group.

We have seen that a few months ago the Central American presidents met. We have seen new initiatives from Costa Rica, Guatemala, and Nicaragua. Recently, Costa Rican President Oscar Arias explained his proposal in detail. We are seeing that the Central American presidents will meet again in early June. I think that this is the right path.

Contadora cannot solve the Central American problem. It can help with a framework of political negotiations so that an agreement or understanding is reached, and so that violence is eradicated in the area. We do not believe the problem can be solved through violence.

[Zabludovsky] Has Mexico's stance on Contadora and Central America, and other stances, such as Mexico's vote in the discussion on human rights in Cuba cooled our relations with the United States, Mr President?

[De la Madrid] Regarding Contadora, I would like to remind you that the U.S. Government often states that it is well-disposed toward the Contadora Group's diplomatic mediation efforts. Of course, the United States maintains that we must use two parallel paths to solve its problem with Nicaragua; that's, negotiations on the one hand, and support to the contras on the other. This position differs from ours because we insist that no arrangement will be achieved through violence. To the contrary, the problem will become worse -- it is getting worse.

The U.S. Congress has voted unanimously to support the Contadora Group. Therefore, there is not a difference between the United States and Mexico with regards to the concept of the Contadora Group. The difference lies in the strategy to achieve peace. We do not accept foreign military intervention -- no matter where it comes from -- to solve the Central American problem and we cannot endorse giving aid to groups that attempt to destabilize any country.

Regarding the vote on Cuba, Jacobo, I think that not enough is known about what happened. The UN Commission on Human Rights meets in Geneva. Mexico has belonged to this group for many years. When there are resolutions on certain cases, certainly, there are different viewpoints. These matters are handled based on reports written by the United Nations or on motions by the countries. The recent episode to which you are referring was as follows: The United States asked for an investigation of Cuba, alleging human rights violations. Cuba immediately reacted and asked for an investigation of the violations of human rights of U.S. blacks and Puerto Ricans. Obviously, this created a very serious conflict. Then, India proposed that as there were not sufficient elements to make a decision, and as a calm atmosphere did not exist in dealing with the two nations, that the two motions be rejected. Mexico, which also saw the danger of the undue politicization of human rights matters, voted to reject both the Cuban motion and the U.S. motion. Most of the countries that make up that group voted as Mexico did.

I also want to say that during that session, Mexico, through negotiations, was able to secure unanimous votes on cases as polemical as those of El Salvador and Chile. What happens here, Jacobo, as happens in many other things, is that it is differences of opinion, not agreements and negotiations -- such as those I have outlined -- that are always pointed out.

The United States and Mexico have different points of view on several international issues. Mexico votes according to our convictions and our principles. We cannot abandon our principles, which are not only based on a philosophy, but on practical and specific interests. Moreover, one contemporary manifestation of sovereignty is an independent foreign policy, and Mexico fully exercises this sovereignty.

[Zabludovsky] How far will the policy of placing state enterprises in private hands go?

[De la Madrid] It will go far. One of the problems responsible for destabilizing public finances was the very large growth in both the central administration of the Federal government and in what we call the parastatal sector -- decentralized organizations, defused [desconcentrados] organizations, mixed enterprises, and fiduciary organizations.

The parastatal sector has very seriously fed the public sector deficit, and the public sector in turn has provoked debts, inflations, etc.

I said from the beginning that the government wanted to restructure the size and scope of the Mexican public sector. We have acted at the central government level by eliminating undersecretariat offices as well as general and area directorates, thus making the offices of the state secretaries more compact.

In addition to this, we have acted to importantly reduce the parastatal sector. [passage omitted]

We have also decided to sell enterprises that produce goods or services that we do not view as strategic or as priorities that must be under the direct administration of the state.

In line with this, we have decided to reduce the number of entities we had at the end of 1982 from 1,155 to 502 or 510, more or less. We have made significant advances in this direction. The goal is to reduce during this administration the parastatal sector to half of what it was. We are achieving this. Some believe that we are moving too quickly, others, too slowly.

However, the final figures speak and will speak. The idea, Jacobo, is that the state will keep direct control over the entities which, according to the Constitution and the laws, must be controlled: Whatever has a strategic priority nature, whatever is indispensable for the government to be able to fulfill its economic leadership responsibilities, but not more than that, because as the saying goes: He who grabs for too much will get too little. [passage omitted]

[Zabludovsky] The word renovation -- housing renovation and renovation of government programs -- leads me to ask you, Mr President, if there has also been a political renovation during your administration?

[De la Madrid] A great renovation, Jacobo. I will point out events that are occurring right now. We have strengthened the municipal governments. We have promoted the corresponding constitutional reforms to assure the municipalities greater financial resources, and to list the powers that the municipalities have.

Although we have always been in favor of municipalities in Mexico, especially since the Constitution of 1917, the truth is that this level of government had remained underdeveloped.

As a result of measures backed by specific actions, and based not only on constitutional norms, but also on more participation in the tax system, on technical assistance, shared programs, and on agreements among states, federations, and municipalities, this basic cell of democracy has been greatly strengthened.

We have also strengthened state governments and federalist principles through measures such as transferring more resources and promoting their usage in various programs of the federation. This also strengthens democracy. The closer the government gets to the community it serves, the more democracy there is. As the communities participate more, there is more democracy. This is the basis of democracy. I believe this is the most important political reform carried out in the 4 years of my administration.

We have also tried not only to respect, but also to strengthen the legislative branch. Here too we have had constitutional reforms. We have promoted the holding of two regular Congressional sessions annually. Although for technical and legal reasons, this procedure will go into effect in 1989, I have developed the habit of calling special sessions during the year to assure that two session periods are held annually.

This will allow Congress to more efficiently handle all the work it now has stemming from the size of the country and the dynamism of our society. We have also promoted reforms to re-elect one-half of the Senate every 3 years, thus returning to the original situation we had, a situation that has the advantage of bringing the Senate closer to the people.

The recent constitutional reform expanded the number of deputies. This will make possible a better representation of the various parties.

I believe that we have also strengthened the judicial branch. We have to strengthen the principle of division of powers as a tool for democratic progress. The judicial branch now has had more material and financial resources and has increased the number of federal courts. It also has new legal frameworks for the administration of justice.

We can see the political renovation work in the latest federal electoral code. In Mexico, elections have been greatly disputed. It is a vicious Mexican tradition to discuss elections always in terms of fraud whenever one loses an election. This is a vice we have inherited. It is still a part of party polemics. We do have to improve the elections system. I agree with that. Mexico's electoral system, I have publicly admitted this, has faults, deficiencies, and irregularities. However, I do not accept charges that this situation is an exclusive characteristic of the government or the majority party. The other parties are corresponsible in this situation.

By the way, this situation is not an exclusive characteristic of Mexico. All election systems can be discussed and all election systems can be improved.

The new federal electoral code has this objective. It provides for more participation by the parties in all phases of the electoral process, and it expands the number of members of the federal electoral commission. It has established a system for integrating, improving, and bringing up to date the federal electoral census with party participation. We are already delivering with anticipation census lists to the electoral districts.

Now we are lengthening deadlines, and the census, with the participation and corresponsibility of the parties, will be a better tool. We must undoubtedly work to correct errors, faults, and to make the electoral process increasingly more credible and less questionable among our people.

There has also been criticism about the Federal Electoral Commission being a biased body that ruled on elections before they actually took place. We have restructured the Federal Electoral Commission and it will now supervise general administrative matters of the electoral process. With the new code we created a Federal Electoral Tribunal that will study complaints and challenged results. This tribunal is independent from the administrative body -- the Federal Electoral Commission.

I believe that by having made these changes and reforms, we can legitimately speak about political renovation. I would say that we should not pay attention only to norms and laws, because often they are not very close to the true situation.

Let us look at Mexico's political situation. There are nine registered political parties. The main ideological tendencies that exist in Mexico are represented. These nine parties are represented in the Chamber of Deputies. Even deputies that years ago, many years ago -- fortunately -- were in jail and who had charged that there was political persecution, are there.

We have a news sector and freedom of the press, and readers can clearly see there is freedom of the press. There is no doubt that ours is an increasingly participative and more critical society and that the government is fulfilling its obligation to strictly respect freedom of the press and the freedom to criticize, because this is essential to a democratic system.

I believe that Mexico's political institutions have not only been safeguarded but also strengthened and improved, and because of this I believe there are legal and practical reasons for saying that in Mexico there is political renovation and a process to improve our democracy. [passage omitted]

DE LA MADRID CAUTIOUS ABOUT ECONOMIC OUTLOOK

FL272243 Mexico City NOTIMEX in Spanish 0429 GMT 27 Mar 87

[By correspondent Leonardo Valadez]

[Text] Merida, Mexico, 26 Mar (NOTIMEX) -- President Miguel de la Madrid has said in this city that although we have received fresh foreign financial resources, in addition to the ones we have received in the past, they do not allow us to substantially increase public spending in 1987.

Speaking to Yucatan businessmen, the head of state added that we cannot and should not promote false expectations of increased public spending this year.

During the meeting, in which members of the state's private sector expressed a number of economic concerns, requested credits, and made commitments about new productive investments, Miguel de la Madrid indicated that the strategy to follow for 1987 has two combined objectives: continue to fight inflation and achieve gradual economic recovery.

The chief executive said we cannot rush into actions that might bring pressures and make it difficult for us to overcome the crisis.

After listening to the businessmen and considering their views, the president, who was accompanied by Yucatan Governor Victor Cervera Pacheco and Finance Secretary Gustavo Petricioli, said we are willing to look into the requests, seek mechanisms that in some way may help us boost the pace of some projects.

The president added that everything will be examined carefully and responsibly and priorities will be taken into account when the 1988 budget is designed. He said: Surely you will understand the need for this caution and prudence.

Finally, he noted that undoubtedly the economic outlook for this year is better, but we have to be careful and not fall into unfounded optimism.

OFFICIAL SAYS U.S. DOES NOT RECOGNIZE DRUG FIGHT

PA012106 Mexico City XEW Television Network in Spanish 1300 GMT 31 Mar 87

[Text] Navy Secretary Admiral Miguel Angel Gomez Ortega has stated that the United States does not recognize Mexico's struggle against drug trafficking, and he added that the U.S. attacks are unfounded and lack a sound basis.

Gomez Ortega said that to confirm Mexico's multiple efforts one only has to look at the large resources used to fight drug trafficking. In recent months, the Navy has spent more than 4 billion pesos in narcotics operations.

Gomez Ortega appeared before the Senate's commission against drug trafficking.

Agustin Tellez Cruces, the president of the commission, stressed that 100 Mexican troops have been killed in this struggle in the past few months.

It was reported that 30 drug traffickers, 3 ships, 1 plane, 10 vehicles, and 423 kg of drugs have been seized so far.

BRIEFS

INTERNATIONAL RESERVES INCREASE -- Treasury Under Secretary Francisco Suarez Davila has said that our country's international reserves have increased at a pace of $1 billion per month since last September. Suarez added that by the end of last year, Mexican reserves were near $7 billion. He added that that tendency continues at present. [Summary] [Mexico City Red Nacional 13 Imevision Television in Spanish 0300 GMT 31 Mar 87 PA]

ASSEMBLY PRESIDENT CONDEMNS U.S. 'INTERVENTION'

PA012207 Panama City LA ESTRELLA DE PANAMA in Spanish 31 Mar 87 pp A1, A14

[Article by Edmundo Dante Dolphy]

[Text] Legislative Assembly President Ovidio Diaz has condemned, on behalf of the Assembly, alleged U.S. Government intervention in Panama's domestic affairs because of its intention to condition its economic aid to the holding of clean and free presidential elections in Panama in 1989.

Ovidio Diaz said a resolution condemning the intervention was presented to the Assembly 2 weeks ago; however, it has not been approved and upheld by either opposition or progovernment legislators because it is not a matter of the defense of the 1989 electoral process but of foreign intervention in our country's domestic affairs. This is harmful to our dignity and our condition as an independent nation, Diaz added.

"Throughout our lives as citizens and republicans we have condemned all interventionist expressions. My position and that of most UNADE [National Democratic Union] legislators is of total rejection of interventionism from the most powerful nation on earth," the Assembly president said.

The United States proclaims democracy, but it forgets that democracy begins by respecting the countries that form part of the United Nations and not by adopting prepotent stances with weak countries, Ovidio Diaz said.

It is widely known that the Subcommittee on Western Hemisphere Affairs of the U.S. House of Representatives approved a proposal from Congressman Stephen Solarz to condition all economic and military aid to our country to a "certificate" that must be issued by the U.S. President. According to the Electoral Tribunal, the demands include guarantees that are already accounted for in our laws, which have been drawn up by Panamanian political parties.

Moreover, Foreign Minister Jorge Abadia Arias sent a note to U.S. Ambassador Arthur Davis energetically protesting the U.S. Government's intention to condition its economic aid to a guarantee of clean elections in 1989.

EDITORIAL CALLS SUPPORTERS OF U.S. 'TRAITORS'

PA271420 Panama City LA REPUBLICA in Spanish 25 Mar 87 p 4

[Editorial: "The Traitors"]

[Text] People have continued to censure the position of the Americans who in an arrogant and shameless manner have tried to make U.S. economic and military aid to Panama contingent on concessions that are humiliating to our country.

Even more humiliating was the caricature of the traitors published in an opposition newspaper in which, like prostitutes, they dance to the music of those who give their favors for money.

Panama has been a country of strong political feelings. The political parties of the past have fought among themselves, but history has always condemned those who have promoted intervention.

However, this is nothing new. We remember that the big chief of the Arco Iris farm [former President Arnulfo Arias] requested German intervention in 1941 during World War II. Later, we saw him sell part of our territory to Costa Rica and then timorously go to the U.S. offices in search of support from our strongest enemies, even at the cost of surrendering to the Americans in the year 2000 by rejecting the Torrijos-Carter Treaties.

We agree with J.D. Bazan, the Republican Party's president for life, that the president should firmly reject Congressman Stephen Solarz' statement as a humiliating act of intervention in Panama's domestic affairs, something no government can tolerate.

However, those who are power hungry and who look for any pretext to destabilize Panamanian democracy consider Solarz' statements -- which true Panamanians and even sensible Americans vehemently reject -- as a triumph.

Let the traitors continue dancing to the rock rhythm and continue bragging about their genuflections to the northern boss; in our country they will be strongly rejected because this republic is nationalist by nature. There will be many worthy political opponents who will not allow the Americans to run our political affairs with the same whip they use for the black people in their country.

GEN NORIEGA ON SOCIAL SECURITY, ENERGY CRISIS

PA012241 Panama City Television Nacional in Spanish 0000 GMT 1 Apr 87

[Text] General Manuel Antonio Noriega, commander in chief of the Panamanian Defense Forces, was asked today by this station's reporters about the situation of the Social Security Fund and the energy cuts.

[Begin recording] [Noriega] This has occurred because it is at the right place and the right time -- when it should be. A solution is still possible. It is up to the civilian government to apply this solution. Consequently, we do not think our participation will affect the course of action.

[Reporter] General, what can you tell us about your meeting yesterday with your staff and the president regarding the country's energy crisis?

[Noriega] We reported that the energy crisis is even affecting national security, according to our analysis. This situation not only involves lighting and machinery operation. It has been brought about by the terrible destruction of forests. This is the origin of the current water crisis affecting IRHE [Institute of Hydraulic Resources and Electrification]. We think it is necessary to apply a forceful policy on cutting down trees so whoever cuts down a tree suffers under the Islamic saying that he must pay with an item similar to the one he destroyed.

[Reporter] In addition, General, some political circles have been saying that you could be a presidential candidate in the 1989 elections.

[Noriega] I do not want to take business away from others. [laughs] [end recording]

BELIZE

PM CALLS FOR 'MORE COMPREHENSIVE U.S. POLICY'

FL011927 Bridgetown CANA in English 1858 GMT 1 Apr 87

[Text] Caye Chapel, Belize, April 1, CANA -- The trade in illegal drugs represents a real and violent threat to small governments, the prime minister of Belize Manuel Esquivel said today. He told a United States-sponsored Caribbean conference on "drug demand reduction" that small states were unable to compete either in terms of money resources with drug dealers.

Esquivel spoke of the contempt with which small countries and their government's are held by drug traffickers. The continuing war against drugs is draining our resources and manpower of scarce funds which we need for development, the Belizean leader told delegates. He called for a more comprehensive policy by the United States Government for the area. He said that while the growing of marijuana cannot be excused on the grounds of poor economic conditions, the United States clearly has an interest in assisting in fighting the drug problem, but that assistance is diminished when at the same time they reduce the possibility of our countries making legitimate trade with their country.

Esquivel said that his government's decision to step-up its anti-drugs campaign was thought politically unpalatable at a time when sugar, one of the main stays of the economy, was under assault internationally and when we were economically in the doldrums. It cannot be denied that the trafficking in marijuana has been of assistance to those local growers and traffickers as far as financial gains are concerned.

The drug problem, the prime minister said, had provoked a remarkable increase in violent crimes, in the use of weapons, kidnapping, and extortion and the intimidation of the local population.

The conference, which is being attended by 22 countries of the English, French and Spanish Caribbean, ends on Thursday.

GOVERNMENT ANNOUNCES INCREASE IN DEFENSE SPENDING

FL280115 Bridgetown CANA in English 2346 GMT 27 Mar 87

[Text] Belmopan, Belize, March 28, CANA -- Belize has announced an increase in defence spending but the parliamentary opposition says this policy could draw the country into the Central American conflict.

Prime Minister Manuel Esquivel told Parliament during presentation of his 1987-88 budget increased defence spending would be entirely due to establishment of a third rifle company for the Belize Defence Force. Government has allocated 10 per cent of its BEL 226.4 million dollars (one BEL dollar -- 50 cents U.S.), 22.6 million dollars, to defence spending.

Esquivel said foreign support for the defence force would also show an increase in the defence and security budget. The third rifle company would provide a properly balanced military force, capable of sustaining operations, which was essential, he added

Opposition leader Florencio Marin said increased fire power of the force could draw Belize into the Central American conflict but he was called to order by the speaker. Government members charged his topic had nothing to do with the budget debate. Belize has remained largely untouched by the political problems in the region, expect for the influx of refugees. Belize and neighbouring Guatemala have a longstanding border dispute but relations have improved somewhat in recent times.

Marin said in an interview increased defence spending was coming at a time when government was presenting a deficit budget and increasing domestic and foreign borrowing.

Foreign Minister Dean Barrow said he failed to see any connection between increasing the strength of the defence force and the possibility of Belize being drawn into the Central American conflict.

EL SALVADOR

FMLN ISSUES COMMUNIQUE ON PARAISO ATTACK

PA020300 (Clandestine) Radio Venceremos in Spanish to El Salvador 0050 GMT 2 Apr 87

[Communique No 2 issued by the FMLN General Command on 1 April]

[Text] Communique No 2 to The Salvadoran people and the world's people.

We present the final report on the successful strategic maneuver we carried out on 31 March and on which is based our front's evaluation of the current state of the war in El Salvador. We have reported that our activity was carried out in the eastern, northern, and central sectors of the country; and involved a complex maneuver with three [words indistinct]. The most overwhelming maneuver, which was successfully carried out, was the attack on the 4th Infantry Brigade's barracks in El Paraiso, Chalatenango.

Our forces destroyed the 4th Infantry Brigade's barracks, which were considered inviolable. A large number of U.S.-made weapons became ashes, as well as [words indistinct], communications equipment, war materiel, the casemate, (?sheds), etc. We inflicted a total of 650 casualties on the puppet army in this fulminating action, only counting those inside the barracks. [Passage indistinct] The Azmitia Battalion was completely annihilated, and the Cobra Battalion was partially annihilated. This also includes the artillery section, special troops, and communications personnel; and represents more than 70 percent of the forces and means they had in the barracks.

On 31 March, the revolutionary army put more than 700 puppet soldiers out of combat as a result of three main operations in El Paraiso, Chalatenango Department; Estanzuelas, Usulutan Department; and Cerro La Campana, Cuscatlan Department. This represents an unquestionable victory that speaks for itself about the power and capacity deployed by the FMLN. Nevertheless, the regime has tried to cover up the death of hundreds of soldiers. Duarte and the high command do not care if the blood of Salvadoran soldiers continues to be shed. This proves the military forces' and Duartists' disregard for the people and the sorrow of the 4th Infantry Brigade soldiers' mothers and relatives. These mothers' sons were conscripted and taken to the barracks where they met their death. The soldiers' mothers should struggle so their sons may leave the barracks; the youths must fight against conscription.

The high command may rest assured that if it continues to conscript the youths, there will be more dissatisfaction and there will be more infiltrations and rebels among their ranks. The soldiers are sons of workers like us, and we have no choice but to comprise a patriotic resistance movement inside the barracks to reject repression, and to defend the soldiers' right to leave and rest. The month of march has concluded, and the political-military situation in El Salvador proves the undeniable progress of the people's forces. We witness how the people's struggle is raised to superior levels, and most of the social sectors have an important part in the struggle to demand the most heartfelt and elemental rights. However, Duarte does not have the will or the capacity to solve the problem because he is involved in the U.S. Government's plans for a dirty war.

Duarte considers the demands for a job, house, just salary, doctors, public services, social security, and reasonable cost of living as a threat against an alleged democracy that only increases repression and the people's poverty. The situation has led the Salvadoran masses to an explosive situation where the actions for a struggle to oust Duarte and obtain social changes are considered an historical necessity. The increasing policy of granting concesions to millionaires turns into a permanent punishment that falls on the people's backs. More taxes are enforced; more work centers are closed down; and the people's precarious conditions and material welfare becomes even worse.

The Armed Forces battalions are prepared for inhuman repression, and have begun to beat up hungry workers in the streets and imprison the workers' leaders. However, the Salvadoran people are not defenseless in the struggle. The workers have their own revolutionary army. The people's army has taken over the task of dealing increasing blows to undermine the bases of this exploitation system. All the Yankee, Duartist, and military plans have been foiled. The FMLN has grown bigger and stronger. The FMLN current political-military activities [words indistinct] superior quality and, to prove this, simply refer to the clandestine militia activities that are successfully being carried out in San Salvador to annihilate the repressive forces and seize their weapons, to carry out propaganda activities, and sabotage the war economy.

We are dealing with a whole new contingency of forces that sprang from the dreams of the needy. Our guerrilla activity on strategic roads through audacious ambushes against enemy infantry brigades make patrol tactics inefficient, because we eliminate and dismantle entire companies. These types of actions are carried out throughout the country along with transportation stoppages and sabotages that place the enemy in an increasingly difficult position to fight for strategic areas and restrict its mobility. Through guerrilla tactics such as raids, the use of mines and snipers, etc., the FMLN has defeated enemy patrols in the depth of areas under our control, thus turning these defeats into a magnificient opportunity to destroy the enemy's ranks. To that situation we can add the increasing damage inflicted on helicopters, and the downing of helicopters, which usually carry out costly deployment operations. Medium and large military blows take place in that framework of permanent and continuous activity, in which the FMLN demonstrates its ability to concentrate its forces in places it considers necessary to reach and annihilate its military targets.

The second attack on the 4th Infantry Brigade, on 31 March -- which was part of a maneuver that covered the eastern, northern, and central regions of the country -- was an overwhelming demonstration of the superior dimension the revolutionary people's war has attained as a whole, and of our undeniable political and military power.

The country's situation is experiencing a turn in the perspective of the people's victory, which today is the [word indistinct]. Our military-political campaign, called "For the Achievement of Bread, Land, Work, and Freedom; All People Take Up Arms," has triumphantly begun. The product of our actions has been the death of a U.S. military adviser, a Yankee invader, who was at the garrison of the 4th Infantry Brigade. This is not accidental. The number of invaders that die in Salvadoran territory is increasing daily. A few days ago another Yankee adviser, who was doing whatever he pleased, died when an Armed Forces helicopter crashed in the eastern part of the country. Insofar as the U.S. invaders increase their intervention in El Salvador, they come closer to the line of our rifles, and we proudly fulfill the patriotic duty to do justice to the warmongering agents, who offend national dignity.

It is also not accidental that a few days ago near the Yankee embassy in San Salvador a clash between mass groups and the repressive forces took place. This shows the interests of Duarte and his armed forces. It also shows the people's rejection of the U.S. invaders. That widespread rejection is increasing; it is gaining force and acquiring a combative nature. The people's discontent already has expression in the armed organization of clandestine militias and guerrilla groups in the urban and rural areas.

In our 31 March strategic maneuver, the militias, which are nothing more than people integrated with the people's army exercising just violence, played an important role in town occupation, road blocking, and armed clashes.

Summarizing, the current war situation includes advances and victories for the people's forces and withdrawals and new contradictions for our enemies. The counterinsurgency project has entered a crisis and in the people's consciousness and actions the alternative presented by the FDR clearly emerges as the only solution. That alternative is represented by combative organization and struggle, Duarte's downfall, and social change.

The increase of the people's political struggle and the intensification of the political-military activity of the FMLN are the two pillars that allow the victorious outlook for this revolution. This victorious advancement should serve to render homage to our heroes, especially to our comrade Ruth Marta Medina Castillo Rivas, who died in combat on 9 january 1987 in Tres Ceibas Canton, San Salvador Department. We also render homage to the 17th anniversary of the FMLN, and we honor our comrades who died in this victorious battle.

"For the Achievement of Bread, Land, Work, and Freedom; All People Take Up Arms. United to Fight Until the Final Victory; Revolution or Death, We Will Win."

Commanders Joaquin Villalobos, Shafick Jorge Handal, German Cienfuegos, Roberto Roca, Leonel Gonzalez.

El Salvador, 1 April 1987.

INTERVIEW WITH BLANDON ON SANDINISM, WAR

PA012330 Mexico City EXCELSIOR in Spanish 29 Mar 87 pp 1, 11a

[Report on interview with General Aldofo O. Blandon, chairman of the Salvadoran Armed Forces Joint Chiefs of Staff, by EXCELSIOR correspondent Luis Alberto Albarran -- quotation marks as published]

[Text] San Salvador, 28 Mar -- One of El Salvador's highest ranking military officers told EXCELSIOR today that he advocates a combined domestic and international action and military action "to solve the Nicaraguan problem."

General Adolfo Blandon, chairman of the Joint Chiefs of Staff of the Salvadoran Armed Forces, talked for 20 minutes with the EXCELSIOR correspondent and described the parameters of a new phenomenon taking place in that Central American country: the [military] sector's institutional attitude; its political projection; the expanded awareness on the part of the officers; and the "modern war it is confronting." Blandon promised to defend this "new-born democracy" for "as long as we can"; termed Costa Rican President Oscar Arias' peace plan "idealistic"; criticized politicians -- including President Jose Napoleon Duarte -- for the polarization taking place in the country; and defined the Armed Forces role as one of reconciliation.

Concerning the Arias plan -- a proposal presented by the Costa Rican President that will be discussed in Guatemala, Honduras, El Salvador, and Nicaragua on a not-yet-specified date -- Blandon, who was a military representative at the San Jose meeting in February at which the Costa Rican proposal was presented, said: "I have termed it idealistic. President Arias is a man with very noble ideals. He believes the Sandinists can still be led down the democratic path. I believe that is impossible. They have a distorted concept of democracy, and they believe in that distortion. When they promote the creation of private television channels, freedom of the press, promotion and investment by the private sector, free elections, and the reduction of troops and armaments in Nicaragua because there is going to be a stable peace there, that is when I will believe the President has a basis for an idealism that I do not think exists now."

Do You See More Danger in Such an Attitude? [subhead]

The only way left to resolve the problem of Nicaragua lies in a combined external and domestic political action, and a military action, but this is a very personal opinion."

But, I insist, do you believe that is more dangerous? [Questioner not identified]

"That is why I mention domestic and foreign political action, because military action might not be needed if there is support from the democratic countries, the countries with a commitment to democracy, to resolve the problem within those limits, because the second option is dangerous for the entire region and for the entire continent."

He Defines the Army's Goal [subhead]

The chairman of the Joint Chiefs of Staff broached several subjects during the interview. Regarding domestic affairs, he defined the democratic role that the military institution had adopted since 1979. He affirmed that Jose Napoleon Duarte is the first president to enjoy full support from the Army and if the Armed Forces attitude had not changed, "about three or four coups would have taken place," in the 3 years of Duarte's presidency. He did not fail to mention the problems the political leadership has created for the Army: "Our people have matured a lot. The most recent incidents -- a government demonstration, a businessmen's stoppage, and a worker's march organized by the National Union of Salvador Workers (UNTS) -- show that the people reject either extreme. However, the political confrontation existing in the country -- that which has continued between the president and the private sector has reached limits that have gone far beyond ethical aspects, and has gone as far as insults and accusations from one side to the other, as well as the famous "parliamentary strike" -- only favors the leftist subversion."

According to Blandon, the biggest threat for the country continues to be the leftist military trend, and he defined the role of the Armed Forces in a political polarization as follows: "What are we to do in the face of this political polarization? We have talked to the businessmen and the president and told them it would be advisable for them to iron out their differences and reach an understanding. Without this understanding there can never be an economic reactivation or political stability. Without economic reactivation and political stability there is no possibility of keeping social problems from increasing." Regarding this, Blandon, one of seven generals in the Salvadoran Army, said this is what the FDR-FMLN political opposition wants.

"The FDR-FMLN has lost any possibility of a military victory in the country. It has lost one third -- perhaps more than half -- of its fighters. Its members are going through very profound ideological and morale problems.

Blandon, just like the rest of the High Command, maintains that the FMLN, the guerrilla movement that led an insurrection in 1981, is retreating from its guerrilla tactics toward a second planning phase of "terrorist actions." He said he regretted that "unfortunately, the othe forces in the country (he was referring to the legal political parties, including the ruling party) are leaving the guerrillas other alternatives."

The Armed Forces, Unprepared [subhead]

Blandon added that the Salvadorn Army is not prepared for a "modern war." He stressed that the officers have been aware of this for the past few years. He said they have also been aware of the respect for human rights and the political aspects of the war. He recalled the response he gave an ambassador regarding the end of the war at a moment when the private sector has placed a condition on granting new financing for the military sector. The private sector has demanded that the financing be used "to end the conflict soon." Blandon said he told the ambassador that if the war were strictly a military war, if this were a classical war where the situation was settled with bullets, cannons, and bombs, he could say the war would end in weeks or months. However, "this war is military, political, economic, social and international; and regarding this, in my condition as a military officer, I find it very difficult to predict when this war will end."

Blandon also spoke about the Army's future, the possibilities of a division within the institution, and the possibilities that certain top military officers have -- especially Colonel Sigifredo Ochao, the military attache in Venezuela, a former military attache in Washington and former commander of the brigade with headquarters in Chalatenango. Regarding these topics, Blandon said: "Any of us can be an officer, but that does not mean we are no longer citizens and cannot participate in politics. Col Ochoa or anyone else can ask to be discharged from the Army to participate in politics. That is his option.

"The situation we are experiencing does not mean we cannot sympathize with a certain political party. The key to this matter is that our sympathy should not make us forget we are soldiers first, and then politicians. There can be other cases like that one. We insist it is not advisable to choose parties at this time; however, you know you cannot ask three brothers in a family to think exactly alike."

Regarding the division within the Army, he noted: "Those who think the Army should control the government are mistaken. Others have said that President Duarte tamed us, and we yielded. They are also wrong. They are not living in this era; they are not experiencing the country's situation and the situation of the world; they are not witnessing the role the Armed Forces are playing and must play. I believe the mistakes we made are the reason for the presence of many youths in the mountains right now. "What we need here is a long-lasting peace, because we may experience an attempt to divide the Armed Forces by some individuals who do not understand the situation. The Ochoa case is an example. Ochoa was an individual who sought division within the Armed Forces. There could be others, but they are very insignificant in number. They do not worry me personally."

Blandon vowed that the Armed Forces will defend the democratic process as much as they can, even if the political right and the businessmen use the legal concept of a "right to insurrction." Blandon, a representative of the military officers' new mentality, showed he is alert to any danger and firm in his decisions.

HONDURAS

AZCONA, PCN LEADERS DISCUSS ARIAS PEACE PLAN

PA012225 San Pedro LA PRENSA in Spanish 31 Mar 87 p 2

[Text] Tegucigalpa -- President Jose Azcona Hoyo has met with representatives of the Nicaraguan Conservative Party [PCN] to analyze the peace proposal presented by Costa Rican President Oscar Arias Sanchez.

Miriam Arguello, the top leader of this party that opposes the Sandinist regime, did not give further details about the issues discussed during the meeting. However, she said more details on this subject will be given during the news conference that will be held today. Arguello admitted she had discussed the Arias Sanchez peace plan which is called: An Hour for Peace; she added that she believes this initiative should be seriously taken into account. "The regional situation is very delicate. Therefore, any mechanism aimed at bringing a long-lasting peace should be welcomed by the Central Americans who love peace," she noted. Nevertheless, she said, the peace plan should be subject to some modifications, especially to favor the Nicaraguan opposition. Moreover, she hinted an agreement may be reached during the meeting that will be held in Esquipulas, Guatemala.

LOPEZ BLAMES CONTRAS FOR 'MISSING' CITIZENS

PA012301 Paris AFP in Spanish 0118 GMT 1 Apr 87

[Text] Tegucigalpa, 31 Mar (AFP) -- General Walter Lopez, retired, former commander in chief of the Honduran Armed Forces, suggested today that the Nicaraguan contras were directly responsible for the disappearance of over 100 people in Honduras in 1984. Gen Lopez insisted that the CIA is attempting to control Honduran secret services and infiltrate the entire Honduran Government. He added that he is prepared to discuss these charges with the Military High Command.

The former Armed Forces chief said that investigations carried out by the Armed Forces in 1984 revealed "reasonable evidence" of involvement of the Nicaraguan contras in the disappearance and death of over 100 Hondurans. In a news conference held at noon today, Lopez, who served as commander in chief until he was obliged to "resign" on 1 March 1985, reaffirmed statements he made recently to the CBS Television Network regarding covert actions of the CIA and the contras in Honduras. The retired officer implicated contra death squads in the disappearance of 125 people, most of whom were opponents of the anti-Sandinist war who had been identified by the CIA as "subversives."

Lopez said the matter of the disappearances in Honduras between 1982 and 1984, "definitely became very confusing (because of the participation of foreign groups), and when one goes to such lengths, one's life is in danger." He said that armed contra groups that have already left the country "could have committed any of those errors." [sentence as received]

The victims were "Hondurans, regardless of their ideology or their involvement in subversive activities," Lopez said with regret. He added that the Armed Forces investigated those cases because "the military was being blamed for that situation." Lopez refused to make further remarks about the CIA and said "he would give more information on the subject only to the Armed Forces."

During his term as chief of the Honduran Armed Forces, Lopez discovered "the CIA operation seeking to gain control of the Honduran police secret service and infiltrate the whole government." Lopez learned about this after a dispute with Robert McFarlane, former U.S. National Security Adviser, as the result of McFarlane pressuring Honduras to agree to the presence of the contras in its territory.

Lopez reiterated to CBS that when he took command of the Armed Forces in March 1984 he warned the United States that the contra plan would fail because "they had no will to fight and lacked the courage and ideals to enter Nicaragua and die." He added, the U.S. Government sent McFarlane to negotiate with the Honduran Security Council, but McFarlane got "angry" and gave an ultimatum: "You have two options, you either remain with the United States or go with the USSR."

Lopez recalled that this "was a harmful matter" for the two parties. Thus, we "warned Washington" that its envoys should be "more careful when dealing with us," because "the two countries are fighting against the same enemy and have the same goal. The method and the system should be improved so relations are not affected."

MINISTER DENIES MILITARY MANEUVERS 'AGGRESSIVE'

PA012158 San Pedro Sula LA PRENSA in Spanish 31 Mar 87 p 3

[Excerpt] Tegucigalpa -- Foreign Minister and attorney Carlos Lopez has denied that joint maneuvers between the Honduran and U.S. Armies, which began yesterday, have an aggressive objective although some believe they do.

The diplomatic leader said the maneuvers are an expression of cooperation in the field of security. They were previously announced and properly programmed.

Lopez pointed out that covert maneuvers are dangerous because they harbor surprises, and denied the maneuvers that started yesterday constitutes some sort of warmup for an invasion of Nicaragua. Lopez said: "That is the interpretation of that country, but we must bear in mind that idea is in keeping with their viewpoints; they definitely oppose bilateral maneuvers, which are the focus of negotiations. They are still unresolved, because we maintain that military maneuvers are not a substitute for the arms buildup; they constitute a brief compensatory element lasting a few days, while the arms buildup is permanent."

Lopez said the maneuvers are not permanent, as they only last 4 to 5 days and preparations last 2 to 3 weeks. All this is blown out of proportion by the U.S. press, which distorts what is really happening. He denied that 50,000 U.S. soldiers will participate in the maneuvers as some media have reported. Lopez pointed out that hundreds of technicians are involved and some 4,000 of them [as published] will carry out amphibious exercises off the coast of Puerto Castilla.

The foreign minister said that a negotiated solution with Nicaragua is definitely favored; we are not advocating violent means under any circumstances. He said Honduras is making preparations to participate in the presidential summit in Esquipulas, Guatemala, where a proposal will be presented. Prior to that there will be preparatory meetings with delegates of the other countries to exchange viewpoints and identify the most touchy issues to be discussed. [passage omitted]

Speaks on Salvadoran Suit

PA011732 Tegucigalpa Televisora Hondurena in Spanish 0100 GMT 31 Mar 87

[Text] Foreign Minister Carlos Lopez Contreras went to the government palace today. He disclosed that, despite the Salvadoran intransigence reported by attorney Pedro Pineda Madrid, Honduras is continuing to demand a demarcation of the border with El Salvador. He announced that the court which will hear the case between Honduras and El Salvador will convene at the International Court of Justice, ICJ, this week.

[Begin recording] [Lopez Contreras] The special court that will hear the case is being formed. El Salvador has already complied with everything it had to and Honduras is completing the notification of [words indistinct] and that will be done this week. Therefore, next week, the court will be fully established to hear the case, and issue the corresponding ruling when the time comes.

[Question indistinct]

[Lopez Contreras] There are rulings, but this is a very delicate process. We are not trying to reduce our list to narrow it down to one and we will announce it. [sentence as heard] However, when we do that [words indistinct].

[Question indistinct]

[Lopez Contreras] He is a man named (Alpicor) who is of Greek descent and lives in Geneva.

[Question] Regarding the military maneuvers, what is expected with so many U.S. soldiers?

[Lopez Contreras] There has been talk there are 50,000 soldiers involved [in these maneuvers]. I think that figure must include wives and the technical equipment at the bases where the soldiers come from. The number of people sent to Honduran territory does not amount to more than 4,000 people; these are people involved in the disembarkation operation in Puerto Castilla. You know how the Americans operate. They even include the people who connect the telephones in the military maneuvers. [end recording]

NICARAGUA

HONDURAN OFFICIAL DISCUSSES REFUGEES' REPATRIATION

PA012229 Managua EL NUEVO DIARIO in Spanish 26 Mar 87 pp 1, 8

[Text] More than 300 people a month might be repatriated to Nicaragua from Honduran territory beginning in April, Colonel Abraham Turcios, coordinator of the Honduran National Refugees Commission, told the press yesterday.

Turcios participated in a meeting at the Nicaraguan Foreign Ministry between Honduran and Nicaraguan representatives and officials of the UN High Commissioner for Refugees [UNHCR] who analyzed aspects related with the voluntary repatriation of Nicaraguans from Honduras.

In the first months of the year, approximately 900 Nicaraguans were repatriated after expressing their desire to voluntarily return to the national territory. At this time, he said, there are more than 30,000 Nicaraguans, mostly of Miskito origin, in the various refugee camps in Honduran territory. They represent 60 percent of the total number of Central American refugees in Honduras.

Leonardo de Franco, regional UNHCR delegate, said that in recent months there has been an increase in the number of people who want to voluntarily return to Nicaraguan territory. He also expressed the UNHCR's willingness to continue supporting voluntary repatriation plans and make possible these people's integration into their communities where they can also have the necessary means for their subsistence. He said the agency he represents considers the refugee case a real problem. He added that they help more than 17,000 Nicaraguan refugees in Costa Rica and 23,000 in Honduras.

Talking to national and foreign reporters shortly after the meeting on voluntary repatriation, Colonel Efrain Lisandro Gonzalez Munoz, Honduran ambassador to Nicaragua, commented on the joint maneuvers with the U.S. Army. He expressed his government's interest in continuing their friendship with the United States. He also said these maneuvers are beneficial so the troops can get used to acting jointly and the U.S. troops can adapt to the geographic conditions to act in defense of Honduran territory in the case of an aggression against his country.

Replying to reporters' questions regarding the repercussions these maneuvers might have on the peace efforts in the region, he said Honduras "will never be a springboard to invade or attack other countries, including Nicaragua."

SED DELEGATION RECEIVED BY PRESIDENT ORTEGA

AU301648 East Berlin NEUES DEUTSCHLAND in German 25 Mar 87 pp 1, 2

[Text) Managua (ADN) -- On Monday [23 March] (local time) [as received] Daniel Ortega, coordinator of the Executive Commission of the National Directorate of the Sandinist National Liberation Front (FSLN) and president of Nicaragua, received a delegation of the SED Central Committee in Managua. The delegation is led by Guenter Sieber, member of the SED Central Committee and head of the Central Committee department for international relations, who conveyed greeting from SED Central Committee General Secretary Erich Honecker which were cordially reciprocated.

The two sides stressed the great significance of the most recent disarmament proposal for a treaty on the elimination of the intermediate range missiles of the USSR and United States in Europe. They unanimously expressed their deep concern about the exacerbated situation in Central America and resolutely denounced the aggression and interference on the part of the United States, chiefly directed against Nicaragua and the liberation forces of El Salvaor.

They underscored that controversial issues and problems must only be solved by means of stubborn negotiations and political dialogue in the interest of the peoples of that region. Daniel Ortega paid tribute to the high level of fraternal relations and the solid friendship between the two parties and states, and expressed thanks for the always evident extensive solidaristic GDR aid. Guenter Sieber gave the assurance that the SED and GDR will also, in the future, stand in close solidarity and friendship at Nicaragua's side in the struggle for the defense and consolidation of the revolutionary gains.

The delegation also met with members of the FSLN National Directorate Bayardo Arce, deputy chairman of the Executive Commission of the FSLN National Directorate; and Henry Ruiz, minister of foreign cooperation; with Julio Lopez, member of the Sandinist Assembly and head of the FSLN department for international relations; and Hugo Tinoco, acting minister of foreign affairs. Central to the talks were fundamental problems related to the international situation, problems of the domestic and foreign policy of the two countries as well as problems related to the further shaping of bilateral cooperation.

EPS CLAIMS 431 CONTRA CASUALTIES IN 3 MONTHS

PA011955 Managua Radio Sandino in Spanish 1200 GMT 31 Mar 87

[Text] During the first 3 months of this year, in Boaco and Chontales Departments, the EPS inflicted 431 casualties on the mercenary forces, and captured 48 other members of their ranks, according to Lieutenant Colonel Roberto Calderon, military chief of Region 5. Calderon said that these are the result of 198 clashes in which 49 members of the EPS were killed and 17 wounded.

Calderon explained that the contras have concentrated approximately 2,000 of their troops in Boaco and Chontales Department. Their primary objective is to close the highway that links Managua to Cuidad Rama, the only route between the capital and Bluefields. During the actions this trimester, the EPS also seized 178 AKA automatic, FAL, and M-14 rifles, 2 machineguns, 7 RPG grenade launchers, and other military equipment. During their criminal actions, the Somozist guards killed 31 civilians, kidnapped 112, and wounded 23.

Political Prisoners Pardoned

PA012144 Managua EL NUEVO DIARIO in Spanish 31 Mar 87 p 12

[By Alicia Andino]

[Text] A total of 43 people, who passed on information on the EPS and provided food to counterrevolutionary commandos, received pardons from the authorities of Region 1.

Captain Glenda Zavala said some of the former contra collaborators sent their children out of the country. She added that 9 prisoners were turned over to their relatives in Limon, 12 in El Jicaro, and 22 in the urban area of Jalapa.

Alcides Centeno, EPS political secretary in Jalapa, said: "This action expresses part of the generosity of the revolution." He also mentioned the current opportunities and the possibilities existing in several parts of the country for these people who wish to return to the production sector. Centeno mentioned the damage caused by the enemy against the people, such as the destruction of economic objectives, the existence of children who are now orphans, and parents who suffer from the death of their relatives. Several people are being investigated at the present time in Esteli Department.

DEFENSE MINISTRY ANNOUNCES MANAGUA MANEUVERS

PA011706 Managua BARRICADA in Spanish 31 Mar 87 p 4

[Text] Yesterday, a source from the Defense Ministry announced that military maneuvers will be held in Regions 9 and 10 in Managua. The maneuvers will begin at dawn on 1 April, and last until the afternoon of 2 April. These maneuvers are part of the preparations for the military defense of Managua. The notice of this activity is being made to prevent residents of the mentioned regions from becoming alarmed.

BRIEFS

EDUCATIONAL AGREEMENT WITH GDR -- Deputy Education Minister Julian Corrales announced at a news conference that a program of pre-school, polytechnical, and adult education has been agreed upon by the education ministries of the GDR and Nicaragua with the signing of a new protocol of collaboration and aid. [Summary] [Managua BARRICADA in Spanish 27 Mar 87 p 4 PA]

COMMENTARY CALLS PUERTO RICO U.S. 'GENDARME

PA012129 Havana International Service in Spanish 2300 GMT 31 Mar 87

["Our America" commentary, read by Manolo Ortega]

[Text] On 2 March 1917, the U.S. Congress approved the Jones Act, by which U.S. citizenship was imposed on the inhabitants of Puerto Rico, the Caribbean island that had come under Washington's colonial domination 2 decades before as a result of the Spanish-American War, which is regarded as the first imperialist confliction history. This act paved the way for the United States to involve Puerto Ricans in its imperialistic wars.

Barely a few days after imposing U.S. citizenship on Puerto Ricans, the United States entered World War I and hundreds of Puerto Rican youths had to fight on European soil to defend the dirty interests of the metropolis, thousands of kilometers away from their capitve homeland. During World War II and in subsequent U.S. aggressions against the Korean, Vietnamese, Dominican, and Grenadian people, thousands of Puerto Ricans either lost their lives or were wounded. Over 200,000 Puerto Ricans have served in the U.S. Armed Forces since the approval of the Jones Act in 1917. Currently, over 10,000 U.S. servicemen are native Puerto Ricans.

To recruit the Puerto Rican youths, the United States avails itself of the poverty prevailing on the Caribbean island, where half of the population between the ages of 16 and 23 is unemployed and newly graduated students find no job opportunities whatsoever. The colony has nothing to offer to these youths other than to join the metropolis' armed forces.

Puerto Rico's strategic geographic position and the ease with which the Pentagon can dispose of its territory and its youths to pursue its policy of rapacious interventionism have led the United States to assign to the island the role of gendarme in Central America and the Caribbean. U.S. military installations in Puerto Rico served as a base of support for the CIA's aggression against Guatemala in 1954. The naval blockade imposed on Cuba in 1962 was coordinated in Puerto Rico's territory and many of the planes that flew marines to the Dominican Republic during the 1975 invasion took off from Puerto Rico. In 1981 the United Staes rehearsed in Puerto Rico the criminal invasion it launched 2 years later against the diminutive island of Grenada. Puerto Rican territory was also used as a concentration and transit point for at least half of the interventionist troops. In addition, many of the soldiers that took part in this imperialist action were of Puerto Rican origin.

Now, President Reagan wants Puerto Rico to play the same role it played in Grenada in a U.S. invasion of Nicaragua or El Salvador. That is why forces of the Puerto Rican National Guard have participated beside U.S. soldiers in military maneuvers in Honduras which, as is known, has become a springboard for the Pentagon's aggressions against Sandinist Nicaragua.

Defending Puerto Rico's independence from any corner of our America is, consequently, not only an elementary Bolivarian and Martian [for Jose Marti] duty but a necessary struggle for peace in the area and the sovereignty of all peoples in the region, who are ironically threatened from a sister island.

COMMENTARY CALLS IAPA 'PROIMPERIALIST'

PA301555 Havana International Service in Spanish 2300 GMT 28 Mar 87

["Our America" commentary read by Norberto Hernandez]

[Text] Legally considered a U.S. institution because it is officially registered as a corporation in the state of Delaware, the Inter-American Press Association [IAPA] intends, after more than 4 decades of existence, to maintain its role as rector of freedom of expression on the continent.

Created to fill the legal and juridical needs of the U.S. bureaucratic system, IAPA was officially initiated in 1943 as a regional organization for newspaper businessmen to safeguard their power and influence; the large U.S. newspapers formed a majority. Of course, the link extends to the White House and to the imperialist centers of intelligence and subversion. It is notorious that the Cuban revolution is a constant obsession for IAPA, now unleashing its nonsense against the Sandinist people's revolution, which it has accused of openly violating freedom of expression. With time, the diversionist tactics used by the institution have changed. Only 2 decades ago, despite the existence in Latin America of strong dictatorships such as Anastasio Somoza's, the continent was presented as a sea of possibilities for the press, with the sole exception of our country.

Today, international condemnation is so open in the cases of regimes such as Chile and Paraguay that IAPA should refer to those two cases, without forgetting the coarse comparison between Cuba and Nicaragua. The fact is that the organization's real intention is to launch frontal attacks against just causes. For the businessmen in the United States and our region who manipulate information as much as they want to and deprive the masses of the possibility of expressing their desires and worries, it is inadmissible for the press to be a popular vehicle in the struggle for socialist construction in Cuba; or for Nicaragua -- the victim of the dirty war carried out by the United States -- to close libelous institutions such as LA PRENSA, which spend their time reporting lies, promoting confusion, and serving Washington's subversive interests.

When, in Latin America, the large newspapers silence the drama of the foreign debt and offer space in their newspapers to demagogues, torturers, or for bourgeoisie pomp, while in the streets the people are victims of hunger and repression; they cannot speak authoritatively of freedom of the press. The misrepresentations and concealments of questionable realities committed daily at many of the newspapers represented in IAPA leave no doubt that it is a proimperialist organization, pharisaic to the marrow.

SIXTH CONFERENCE OF PLANNING MINISTERS HELD

FL250214 Havana Radio Rebelde Network in Spanish 2300 GMT 24 Mar 87

[Text] At the beginning of this newscast, the national delegations and guests to the Sixth Conference of Latin American and Caribbean Planning Ministers and Chiefs were meeting with the leaders of the National Association of Cuban Economists at this organization's headquarters.

On its 2d day of meetings, the conference held separate sessions. One of them involved the technical committee of the Latin American Economic and Social Planning Institute, which is sponsoring the event composed of all the delegation heads of the member countries attending the conference. In addition, the International and Regional Integration and Cooperation organizations held a special session.

According to the conference's secretariat, the technical committee's final resolution will be read tomorrow as part of the closing ceremony of the Sixth Conference of Latin American and Caribbean Planning Ministers and Chiefs, who have been meeting at Havana's Palace of Conventions since Monday 23 March.

Importance of Integration

FL261557 Havana Radio Reloj Network in Spanish 1809 GMT 25 Mar 87

[Text] (Faye Hustey), Caricom representative at the Sixth Conference of Latin American and Caribbean Planning Ministers and Chiefs that concludes today at the Palace of Conventions in Havana, has said that she is very impressed by what she has seen in Cuba. The Guyanese economist made this statement when commenting on her first trip to Cuba and added that she really feels that she is in the Caribbean. During her speech at the Sixth Conference (Hustey) said that it is necessary to integrate other non-English speaking countries of the area into the organization. (Hustey) said that other non-English speaking countries include Cuba. The Caricom representative said that Caribbean integration is not easy because of the different political, social, and economic problems that affect the area. According to (Faye Hustey), the region must improve its offers, production, and exports in order to overcome its economic problems.

(Hustey) said that this planning conference is of great importance for Caricom. The conference has given Caricom the possibility to see what is being done by other organizations in the area of continental integration and also to learn the position of individual governments. (Hustey) said that integration as such does not produce development but it does open up possibilities for improving contacts to increase cooperation in all areas.

Conference Ends

PA271234 Havana International Service in Spanish 1600 GMT 26 Mar 87

[Report by Alberto Martinez]

[Text] After 4 productive days of work, exchange of experiences, and consensus about the Latin American situation and the way to resolve the regional crisis, the 6th Conference of Latin American and Caribbean Planning Ministers concludes in Havana on Wednesday. In their speeches, representatives of more than 20 countries and international and regional organizations explained how planning can and should play a more active role in the economic and social development plans of the nations of the region.

The Latin American foreign debt of more than $380 billion was a constant topic at the event where delegates, observers, and guests analyzed the paths to overcome such a difficult problem that affects the development of the region's countries. Opinions on possible alternatives to pay the debt, the postponement of payments, moratoriums and even the unpayable nature of the debts proliferated in Hall No 4 of the Palace of Conventions, where the conference was held.

The need to promote an effective regional integration to face the common problems worsened by the protectionism and the financial policies of the developed nations was emphasized. In this regard, Cuba said that the United States had become a net importer of capital, adding that just in the last 2 years, Latin American transferred more than $48 billion in net capital to that country.

The conference participants unanimously agreed on the need to seek methods of integration. In this regard, the participating international and regional organizations issued a report read by Jaime Salazar Montoya, coordinator of the Cartagena Agreement Board.

[Begin Salazar recording] The need to increase the region's trade and at the same time to improve the payment and financing systems was stressed. However, at the same time it was emphasized that integration must not be reduced to imply trade aspects, as has occurred in the past. It should encompass other areas such as physical [fisica] and electric integration and cooperation in political, social, and cultural fields. [end recording]

During the conference, Jose Lopez Moreno, minister president of the Cuban Central Planning Board, was elected director of the system of coordination and operation between Latin American and Caribbean planning organizations.

Parallel to the conference, the Seventh Meeting of the Technical Committee of the Latin American and Caribbean Economic and Social Planning Institute was held. It approved the plans for this year and for the 1988-1990 period and the cooperation with the region's countries.

The Sixth Conference of Latin American and Caribbean Planning Ministers and Chiefs was a step forward in the aspirations of regional unity and integration to jointly face the economic crisis affecting the peoples of the area. This is the path that will be taken in the future.

COMMENTARY ON BOLIVIAN MINING SITUATION

PA012103 Havana International Service in Spanish 2300 GMT 30 Mar 87

["Our America" commentary, read by Manolo Ortega]

[Text] Currently, as Bolivia is agitated under the weight of new mineworks mobilizations, there is much talk about the tin crisis. Tin, as everybody knows, used to be Bolivia's main source of wealth and the axis of its economy because it provided 70 percent of the country's foreign exchange.

Approximately 1 year ago the tin economy began to decline. At that time tin sold for approximately $2 per pound and high production cost evidenced the chaos that was to come. It will suffice to say that the average production cost of a pound of fine tin is $9 in Bolivia, a cost that cannot be compared to the sale price.

It must also be stated that as a result of the avarice of the military regime, approximately 70 percent of the workers of the Mining Corporation of Bolivia were employed to do work not directly related to production and that the only technologial investments made were those strictly necessary to keep the enterprise going. It must be added that tin is a nonrenewable resource, and that it is becoming increasingly difficult to find deposits in an area that used to have the most deposits in the world.

The tin economy was so deeply rooted in Bolivia's society, that almost the entire economic system is vanishing, and a crisis is approaching because of its collapse. Some believe that the tin crisis would mean only the closing of the Mining Corporation of Bolivia, but the chaos my be total because it is not only affecting Bolivia's traditional mining but also a series of related activities.

For example: the closing of the famous Catadi tin mine does not mean only the dismissal of 5,000 workers, but also a future of hunger, misery, and death for hundreds of families. Not long ago, Filomon Escobar, a mineworkers leader, said with anguish that in Catadi, Siglo Veinte, and other mines there are 80,000 people who compose a traditional market for the agricultural production of hundreds of thousands of peasants from the nearby regions. Now, along with the unemployed mineworkers, thousands of poor peasants are arriving in the cities. These peasants have been turned by the crisis from farmers into beggars.

Thousands of businessmen who supplied mining centers are facing a similar dramatic situation. They now coexist in the streets of the cities with the mineworkers and the former farmers: all of them waiting in anguish for solutions.

The social crisis provoked by this situation apparently remains without immediate solutions. While the unemployed remain frustrated, the government has ratified its decision to maintain in effect the current economic policy. It is this policy that motivates problems now being added to existing ones. These problems produce social tensions whose consequences are really unforeseeable.

CASTRO MEETS WITH DOMINICAN, BRAZILIAN LEADERS

FL271308 Havana Tele-Rebelde Network in Spanish 1100 GMT 27 Mar 87

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, has met with (Guillermo Caram), technical secretary of the Presidency of the Dominican Republic, and Mr (Andres Franco Montoro), former governor of Sao Paulo, Brazil, and current director of the Latin American Institute of Sao Paulo, both of whom attended the sixth conference of Latin American and Caribbean planning ministers and chiefs.

During the meeting, they analyzed different aspects of the international economic situation, especially in Latin America, as well as other topics of interest.

Gomez Describes Reaction

FL312204 Havana Radio Rebelde Network in Spanish 1700 GMT 31 Mar 87

["Excerpt" of interview with Jose Francisco Pena Gomez, president of the Dominican Revolutionary Party and vice president of Socialist International, by unidentified Radio Rebelde reporter; place and date not given]

[Text] [Reporter] Dr Pena Gomez, we would like to know how the Dominican Republic's press, social, and political sectors reacted to your visit to Cuba.

[Pena Gomez] A tremendous, extraordinary reaction. Only 2 days ago EL NACIONAL, one of our evening newspapers, said that the Dominican Republic's press, radio, and television was suffering Fidelmania because Fidel Castro's name kept coming up in every article written by the press and in every talk show and commentary carried by the radio stations and television. Yesterday, one of our biggest television networks rebroadcast for the third time the complete meeting between Fidel Castro and the Dominican delegation that visited Cuba. Every newspaper carried full-page announcements of the repeat of the broadcast. Last night we saw Part I of the dialogue between the president of Cuba and myself. The whole nation saw this program. Therefore, I could say that the reaction has been very good.

When I got back from my trip I visited Joaquin Balaguer, the president of the Republic. The visit lasted 90 minutes and we talked about my visit to Cuba and about other matters. He described my visit to Cuba as a great success. I told him that it had been a step forward in the relations between two peoples.

REPORTAGE ON HAITIAN POLITICS, ECONOMY

Communists Favor Constitution

PA162202 Havana International Service in Spanish 1900 GMT 14 Mar 87

[Text] Rene Theodore, secretary general of the United Party of Haitian Communists, has said in Port-au-Prince that in the coming referendum the militants of that party will vote in favor of the new national constitution because that charter, he said, responds to the Haitian people's demands.

In an interview granted to PRENSA LATINA, Theodore explained why Communists support the constitution. He said that the new constitution includes administrative decentralization, legal equality for civilians and military men, and the principle of nonalignment in international affairs. The draft constitution will be voted on 29 March.

Rene Theodore pointed out that the new constitution gives the state an important role in the nation's economic development and sets limits to the size of land properties in order to favor an agrarian reform program.

Economic Situation

PA272300 Havana International Service in Spanish 2300 GMT 26 Mar 87

["Our America" commentary read by Norberto Hernandez]

[Text] At present, few people doubt that an economic crisis in any country on the continent influences its political situation. Haiti is one of the best examples of this. The vicious cycle that runs from political crisis to economic crisis, and vice versa, has been dramatically increasing in the last year. However, its origins date back 50 years, when the established structures began to crumble under pressure from the social struggle and from demands.

At that time, the heightening of the crisis began in the wake of the U.S. occupation. Following the departure of U.S. Marines from Haiti, the dominant classes decided to accept the IMF's guidelines. This policy, which is subject to harsh restrictions prompted by a contraction in international trade, the violent increase in interest rates, and other equally harmful factors, has brought domestic chaos and growing foreign dependence.

One cannot ignore the long years of the Duvalier dictatorship, as it was during that period that Haiti's economic and social structures sustained the most damage. The gradual and then accelerated impoverishment of the people has been for many years the fundamental cause of gigantic protest drives by all sectors. According to Haitian sociologist (Gerard Pierre Chard), their demands reflect the terrible paradox of human existence in Haiti: prices are among the highest in the world while revenues are among the lowest.

For that reason, most Haitians live in extreme poverty. There is no way out because unemployment hurts over 50 percent of the working age population; that is, 1.5 million people. This situation became particularly critical in the last years of the Duvalier regime. In addition to proving its inability to implement any measure -- even if it was not a reform measure -- that regime always smothered the legitimate aspirations of the people. All in all, we must consider that even though Haiti is a small nation, it is mercilessly punished by its foreign debt, as are the other Latin American and Caribbean nations. In addition to the Haitian foreign debt, which totals $800 million, Haiti must make yearly payments on the interest on its debt. In 1986, the amount due was $19 million. To make matters worse, it is estimated that this year Haiti must pay $40 million to service its foreign debt.

Meanwhile, the IMF is demanding strict payment of the foreign debt regardless of the levels of poverty and crisis in the debtor nation. In Haiti's case, its regime accepts being pressured without caring about the consequences this may have for the masses. To conclude, we must say that while the Haitian people are sinking even deeper into proverty and the crisis is growing, dedication to the struggle for a veritable change of structures for the sake of their own survival is also growing.

Referendum on Constitution

PA301606 Havana International Service in Spanish 2300 GMT 29 Mar 87

[Text] Electoral polls were opened early today in Haiti for a referendum on the new constitution. For the first time in the history of that country, a constitution reflects the essential rights of the people in that Caribbean country.

The majority of the democratic and progressive sectors, peasant and student organizations, and the Catholic Church urged the population to vote in favor of the new constitution, which redeems the fundamental civil and political rights. Following the approval of the constitution -- if the electoral calendar is followed -- the Haitian people will be able to elect in November a democratic government to replace the current authorities, most of whom are pro-Duvalier figures who are incapable of improving the country's socioeconomic situation.

Communist Leader on Vote

PA011521 Havana International Service in Spanish 2300 GMT 30 Mar 87

["Statement" by Rene Theodore, secretary general of the United Party of Haitian Communists; date and place not given]

[Text] Yesterday the Haitian people voted overwhelmingly in favor of the Constitution. Everyone was dressed in white. The United Party of Haitian Communists, PUCH, urged people to dress in white, the color of the yes vote in favor of the Constitution. There were two ballot colors: white for yes and yellow for no. The large majority of the people, almost everyone, was dressed in white, both men and women who were voting throughout the country.

In addition, very large demonstrations were held after the voting, also in answer to a PUCH initiative. At 1700 the people in the major cities openly showed their voting preference for the yes side, using the color white.

In Cap Haitien, people took to the streets and marched toward the home of one of the Duvalier regime's executioners, who was sentenced to death. His house was turned over to PUCH for use as the party's headquarters in Cap Haitien, the country's second largest city. It will also house a library for youths from the north.

There were massive demonstrations in all major cities. This was the first time that votes truly reflected popular sentiment. Everyone said the same thing: that people voted because they want no more dictatorship, poverty, or hunger. There was deep awareness of the need for social and economic change and for the political change that people expect will take place through the implementation of this constitution.

It was a fabulous result, with more than 99 percent of the votes in favor of the constitution.

FURTHER ON VISIT BY SWAPO LEADER NUJOMA

Speaks at Angolan Ceremony

FL311558 Havana Tele-Rebelde Network in Spanish 1100 GMT 31 Mar 87

[Text] The 11th anniversary of Angola's independence was celebrated at Havana's FAR Universal Hall. The event was presided over by Jorge Risquet, member of the Communist Party of Cuba [PCC] Politburo and secretary of the PCC Central Committee.

While speaking at the ceremony, Sam Nujoma, president of SWAPO [South-West African People's Organization] said that Angola, under the leadership of the MPLA-PT [Popular Liberation Movement of Angola-Party of Labor], continues to be a firm stronghold of the Namibian liberation forces.

Also speaking at the ceremony was (Manuel Pedro Petavida), Angolan ambassador to Cuba, who recalled the blood shed by Cubans and Angolans to make this victory possible. He added that it is indispensable on this day to render the most profound tribute to those who have fallen.

Thanks Cuba for Assistance

FL311716 Havana Periodico del Aire in Spanish 1600 GMT 31 Mar 87

[Text] Sam Nujoma, president of the South-West African People's Organization, SWAPO, has thanked the Communist Party of Cuban and the Cuban people for the solidarity they give to his organization's struggle for independence and he said the triumph will be for all Namibians and will not substitute a white apartheid for a black apartheid.

Nujoma said SWAPO has the complete support for frontiine countries, the Organization of African Unity, nonaligned countries, and the United Nations, including its Security Council, but Ronald Reagan insists on linking Namibia's independence witht the withdrawal of Cuban troops from Angola, a country which has a right to seek assistance.

Visits Isle of Youth

FL312209 Havana Radio Reloj Network in Spanish 2032 GMT 31 Mar 87

[Text] Sam Nujoma, president of the South-West African People's Organization, SWAPO, began today a visit to the Isle of Youth. He was warmly welcomed by the almost 1,200 Namibian children who study there. He was greeted on the Isle of Youth by Armando Manresa, first secretary of the Communist Party of Cuba [PCC] on the Isle of Youth, and by other PCC and government leaders. The head of SWAPO met with Cuban and Namibian students and teachers at the Hendrick Witbooi Rural School and toured the school's main facilities.

During a news conference held yesterday in Havana, Nujoma confirmed SWAPO's goal to enforce the UN's resolution on Namibia's independence and thanked Cuba for its solidarity with his country's fair cause.

GOVERNMENT TO MONITOR SOUTH AFRICAN OIL EMBARGO

FL310249 Havana Radio Reloj Network in Spanish 0202 GMT 31 Mar 87

[Text] UN Secretary General Javier Perez de Cuellar has reported that Cuba has been appointed, among other countries of the international community, to compose the intergovernmental group in charge of monitoring the South African oil embargo. The intergovernmental group, composed of 11 countries, was created as a result of a resolution approved during the last UN General Assembly and will be chaired by Norway.

The decision to monitor the South African oil embargo is part of the actions the international community has taken to isolate the apartheid regime and force it to comply with UN resolutions. The resolutions include the complete elimination of colonialism, the illegal military occupation of Southern Africa by the racist Pretoria regime, and the elimination of apartheid. These points were demanded by the UN Security Council.

THIRD CULTURAL WORKERS CONGRESS HELD 26-28 MAR

FL261927 Havana Radio Periodico del Aire in Spanish 1600 GMT 26 Mar 87

[Report by Jose Lorenzo Fuentes from the Covarrubias Hall at the Cuban National Theater]

[Text] As we have already reported, the Third National Cultural Workers Trade Union Congress began today at 0900 with the slogan, "The Grandest Cultural Work Is the Revolution Itself!" This important event is presided over by Dr Armando Hart Davalos, culture minister and member of the Communist Party of Cuba [PCC] Politburo; Roberto Veiga, secretary general of the Central Organization of Cuban Trade Unions; and Carlos Aldana, member of the PCC Central Committee Secretariat.

The first event of the opening session was the reading of the main report by Francisco Duran, chairman of the committee organizing the congress.

We should point out that, according to the credential commission, the congress is being attended by 99.25 percenet of the 170 delegates elected to the event from among the 65,000 trade union members.

Other important information from the credential commission refers to the composition of those assembled. The commission reports that of the delegates elected to the congress, 125 are members of the PCC, 123 are women, and 19 are internationalist combants.

One of the last speeches of the morning session was made by (Benito Prada Fernandez) of Camaguey, who spoke about quality in art and stressed the need to recognize artistic talent. Another speech this morning was given by Gabriel Dominguez from Matanzas Province, who spoke on the community's cultural (?institutions), a topic to which the congress attaches great importance in the belief that more should be done to give the community's cultural institutions the importance they deserve in the coming years.

The congress will continue meeting until tomorrow, 27 March. The closing ceremony will be held in this theater at 1800. The new secretariat elected by the delegates will be introduced at the ceremony.

Risquet Presides at Session

FL271520 Havana Radio Reloj Network in Spanish 1402 GMT 27 Mar 87

[Text] Jorge Risquet, member of the Communist Party of Cuba Politburo, who is presiding over today's morning session of the Third National Cultural Workers Trade Union Congress has suggested that the congress participants send a communique to the Cuban internationalists in Angola. In a short speech before the plenary meeting in the Covarrubias Hall at the Cuban National Theater, Risquet recalled that today we commemorate the 11th anniversary of the glorious victory of the Cuban internationalist forces and the FAPLA [People's Armed Forces for the Liberation of Angola] against the South African racists. Earlier, the 270 delegates and more than 100 guests observed a moment of silence in honor of Juan Marinello who died 10 years ago today.

The debates on the third congress' main report continue today. The main report will be approved in the next few hours.

Elects New Secretary General

FL272349 Havana Radio Rebelde Network in Spanish 2300 GMT 27 Mar 87

[By Rosa Maria Hurtado, from Havana's National Theater]

[Text] The Third Congress of the National Cultural Workers Trade Union, which has been under way at Havana's National Theater, is about to end after 2 days of intense work. There is a long road to follow and the new elected secretariat, headed by Francisco Duran, the union's secretary general, noted the responsibility the national committee has in fulfilling all the suggestions made during this wonderful congress.

The closing remarks are being made at this time by Carlos Aldana, secretary of the Communist Party of Cuba Central Committee and chief of the Department of Revolutionary Orientation. He conveyed warm greetings to the congress from Commander in Chief Fidel Castro, who followed the developments of this broad congress but was unable to attend.

Approves Report, Ends

FL280106 Havana Television Service in Spanish 0000 GMT 28 Mar 87

[Text] The Third Congress of the National Cultural Workers Trade Union held at the National Theater has ended after the main report was approved. The report was discussed at length by some 170 delegates attending the meeting.

Armando Hart Davalos and Roberto Veiga, members of the Communist Party of Cuba [PCC] Politburo, presided over the closing ceremony, while Carlos Aldana, member of the PCC Central Committee Secretariat and chief of the Department of Revolutionary Orientation, made the closing remarks. He conveyed to the congress' participants warm congratulatory greetings from Commander in Chief Fidel Castro. The newly elected Secretariat of the National Cultural Workers Trade Union, headed by Secretary General (Francisco Duran Jarbei), was presented during the important meeting's final session.

Culture Minister Speaks

FL1281628 Havana Radio Reloj Network in Spanish 1205 GMT 28 Mar 87

[Text] During a special speech at the Third Congress of the National Cultural Workers Trade Union, Armando Hart Davalos, member of the Communist Party of Cuba and culture minister has said the greatest requirement of the culture sector should be quality. The party leader said that this stage has ended and presently -- as demonstrated by the congress -- there is much identification between the Culture Ministry and the trade union.

In reference to the proposal to establish a code of moral ethics for the art sector, Hart Davalos said such a document should apply to all culture workers and cadres. "Ten years ago, I said that justice triumphed in art, and now we can say we have triumphed over the roots of the obstacles that make it difficult for culture to advance victoriously," he concluded.

Carlos Aldana Closes

FL1281555 Havana Radio Rejoj Network in Spanish 1204 GMT 28 Mar 87

[Text] Carlos Aldana, secretary of the Communist Party of Cuba [PCC] Central Committee, has described the Third Congress of the National Cultural Workers Trade Union, which was held in Havana over the past 2 days, with two works: productive and promising. In his statements closing the event, the chief of the DOR [Department of Revolutionary Orientation] of the PCC Central Committee conveyed an embrace and greetings from Commander in Chief Fidel Castro, who was kept informed on the development of the congress.

Aldana said that approximately 120 speeches were made and that the majority of delegates demonstrated their political zeal, honesty, and maturity. The first task of that trade union is the defense of the peoples, because without a truly cultured people there would be no socialism, he stressed. He said that during the debates at the cultural workers congress, the ideological maturity and professional development of the participants became evident. He stressed that the meeting was a democratic, unifying, and [word indistinct] event.

CASTRO ATTENDS KNITTING MILL OPENING CEREMONY

FL262300 Havana Radio Periodico del Aire in Spanish 2130 GMT 26 Mar 87

[Text] A knitting mill has just been officially inaugurated in East Havana by Commander in Chief Fidel Castro. Guenther Kleiber, member of the Politburo of the Socialist Unity Party of Germany and chairman [as heard] of the GDR Council of Ministers, attended the ceremony.

The mill's director gave Fidel a detailed explanation of the important light industry facility. Castro was accompanied by Carlos Rafael Rodriguez, Communist Party of Cuba [PCC] Politburo member, the light industry minister, and other PCC and government officials.

Guenther Kleiber and Carlos Rafael Rodgriguez spoke at the opening. The two speeches highlighted the personality of (Werner Lambert), the German communist this production facility is named after, and noted the existing friendship between the peoples and parties of the GDR and Cuba.

At the time we are transmitting this report, our commander in chief is chatting with workers and guests attending the East Havana knitting mill opening ceremony. We will expand on this information in following reports.

Speaks With Workers

FL270147 Havana Radio Rebelde Network in Spanish 2300 GMT 26 Mar 87

[Excerpts] Commander in Chief Fidel Castro, president of the Councils of State and Ministers of Cuba, today inaugurated Havana's (Werner Lambert) knitting mill, located in the eastern part of the capital. [passage omitted]

Fidel had a lively chat with the workers and leaders of the new knitting mill.

[Begin Castro recording] One of the things we believe is that this industry is a textile industry instead of a clothing manufacturing factory. He who visits this factory can see that this factory is mainly a textile industry. We are considering transferring this industry from the clothing manufacturing area to the textile area, to the union of textile enterprises. I do not know what you think about that.

[Female speaker] Actually, we manufacture fabric here with a different technology but [words indistinct]

[Castro] It is a textile enterprise. I thought, what is a knitting mill doing in the clothing manufacturing industry? A clothing manufacturing industry is something else. This is a textile plant and a fairly sophisticated one.

[Female speaker] Before, our knitting mills were shops with a few knitting machines and next to it they had machines to manufacture clothes with the textile that was produced. It was a somewhat primitive thing.

[Castro] Now this is large textile plant. It will produce 50 million square meters. What is it if it is not a textile plant? What is a plant that produces 50 million square meters with any kind of technology, a plant that is supposed to produce 50 million square meters? [end recording] [passage omitted]

CARICOM PROPOSES NEW AREA FISHING PLAN

FL181455 Bridgetown CANA in English 2102 GMT 17 Mar 87

[Text] Georgetown, Guyana, March 17, CANA -- Caribbean Community (Caricom) fisheries officials are hoping the region can achieve self-sufficiency in fish within 10 years, a release from the Caricom Secretariat said today. It said a plan to achieve this goal was the main consideration of fisheries officials at the fourth technical fisheries seminar held in Kingstown, St Vincent and the Grenadines, March 9-11.

The officials proposed a draft fisheries programme that aims for a 25 per cent increase in landings by 1991. They suggested Caricom states give preferential access to fishermen from member states so they could fish in each others waters. The fisheries officials also proposed the licensing of fishing vessels as an effective tool in managing the regions fisheries, and stressed delimitation among Caricom countries and between Caricom and non-Caricom countries needed to be tackled urgently.

The officials raised concern about some constraints in initiating current and projected plans. Foremost among these was the opportunities for fishermen and fisheries personnel and the provision of adequate fishing vessels and crew insurance. They also said the fishing industry could provide employment for women, who could be employed in fish processing plants.

JAMAICA

GOVERNOR GENERAL DELIVERS THRONE SPEECH

FL011711 Bridgetown CANA in English 2351 GMT 31 Mar 87

[By Paget de Freitas]

[Text] Kingston, Jamaica, March 31, CANA -- The Jamaica Government today said the country's economy was now on ready for a period of sustained growth and this would be demonstrated when Prime Minister Edward Seaga presents his 1987 budget.

It can be said that the government has now restored the economy of Jamaica to the state at which we can now embark upon a new period of sustained growth within a framework of stability and a healthy investment climate, the governor general, Sir Florizel Glasspole, said in the throne speech, marking the start of a new legislative year.

He said this year's budget would serve to indicate quite clearly that the economic foundations have been truly laid as well.

This would allow attention to be increasingly focussed on the needs of the social sector which had to await the necessary adjustment and recovery of the economy, Sir Florizel said.

The opposition People's National Party (PNP) described today's state opening and the throne speech, which came a day before its deadline for the government to call general elections, as a farce, but did not hold expected demonstrations.

The throne speech, while read by the governor general, is a broad outline of government's policies and planned legislation for the year.

With the government apparently waiting for the budget presentation, expected by early May, to give a clearer picture of its economic posture, Sir Florizel, however, gave some indication of its direction, particularly for infrastructural spending in rural communities which have borne a heavy toll in three years of economic austerity.

He said that 65 towns and districts would benefit from a J140 million dollar (1 JCA dol -- 18 cents U.S.) water supply programme, representing the largest attack on the water problem ever launched in Jamaica.

Additionally, J265.3 million dollars would be spent on road and township improvement, for which J160 million dollars will be in rural areas, plus another J27 million dollars in large towns apart from the capital. Credit programmes for rural youth to start their own businesses will be expanded this year and the government has earmarked J2.75 million dollars for this, Sir Florizel said. And over the next two to three years 25,000 acres of leasehold land will be sold to small farmers, adding to 45,000 acres, already sold while a major programme for the development of old land settlemnts to provide infrastructure and titles will be introduced this year. Facilities for indigent aged in rural areas will be developed and improved, hospital facilities and equipment refurbished and court houses repaired.

It is also the intention of the government to finalise during the course of the year the enactment of all outstanding pieces of legislation in the area of social reform, the governor general said.

On economic policy on the national level, the government reaffirmed its intention to push ahead with its privatisation of state entities. It has already announced plans to sell the Caribbean Cement Company and Sir Florizel added that government-owned hotels and the media will be among the lot. It has been an open secret here that there is a plan to sell off the Jamica Broadcasting Corporation (JBC). The stock exchange is expected to develop even greater momentum and strength from the surge of investor confidence being experienced, Sir Florizel said. The government also expected that recent cuts in corporate tax, a sharp reduction of import tariffs and tax rebates to exporters outside the Caribbean Community (Caricom) region will provide a strong stimulus for economic activity. The government was also confident of keeping to its International Monetary Fund (IMF) prescription of holding inflation to seven percent this year to avoid a currency devaluation. Among its economic achievements, the government pointed to a surplus on the current account in the last budget and projected balance of payments surpluses for 1987/88.

Today's throne speech followed Saturday's quiet prorouging of parliament. The opposition party, which had threatened to start protests if the government did not announce an election time-table by April 1, said today it would not allow the government to enter a new electoral year unchallenged. A PNP spokesmen said they did not hold any demonstrations today because the PNP was maintaining its own agenda, not the government's. Opposition sources said the PNP leader Michael Manley was likely to announce a major demonstration for next week when he addresses a rally in Kingston Thursday night.

JLP, PNP AGREE TO HOLD BIPARTISAN TALKS

FL271604 Kingston Domestic Service in English 1100 GMT 27 Mar 87

[Text] The JLP [Jamaica Labour Party] has agreed to resume bipartisan talks suggested by the PNP [People's National Party]. In the letter to PNP Chairman P.J. Patterson (?issued today), JLP Chairman Bruce Golding said he will be contacting him to arrange a date for the talks. Golding said the JLP was committed to reducing political tension and to take part in any attempt to maintain [word indistinct] order.

Last Friday [20 March] PNP President Michael Manley wrote to Prime Minister Edward Seaga expressing interest in resuming bipartisan talks with the JLP. The letter from Mr Manley also alleged that an anonymous paper was circulating reportedly linking the PNP with plans for terrorist and disruptive activities here. Mr Seaga referred the letter to Mr Bruce Golding and National Security Minister Errol Anderson.

PARLIAMENT APPROVES CARRY-ON BUDGET FOR APRIL-JULY

FL260244 Bridgetown CANA in English 1633 GMT 25 Mar 87

[Text] Kingston, Jamaica, March 25 CANA -- The Jamaican parliament has approved a J1.08 billion dollar carry-on budget to cover government's business over a four-month period between April and July. The current financial year ends on March 31, and the special allowance is necessary until Prime Minister Edward Seaga takes a new budget to parliament, probably in April or May.

Finance sources say that in keeping with Jamaica's new stand-by agreement with the International Monetary Fund (IMF), the package was unlikely to be much over the J5.8 billion dollars of the last budget.

In the carry-on budget, piloted last night through the House of Representatives by the leader of government business, J.A.G. Smith, recurrent spending is J762.48 million dollars and capital expenditure at J317.8 million dollars.

ST CHRISTOPHER AND NEVIS

MOORE ARRESTED FOR 'SEDITIOUS LANGUAGE'

FL012114 Bridgetown CANA in English 2048 GMT 1 Apr 87

[Text] Basseterre, St Kitts, April 1, CANA -- St Kitts and Nevis opposition leader Lee Moore was arrested here today on two counts of using seditious language. Taken before a magistrate, he was granted bail totalling 10,000 East Caribbean Dollars (one EC dollar -- 37 cents U.S.).

The charges relate to statements the former premier allegedly made while addressing a public meeting here on March 22.

Moore, a lawyer, was taken from the high court where he was appearing on behalf of a client in a civil matter. He was granted bail of 5,000 EC dollars on the charge of uttering statements likely to cause disaffection, but was re-arrested as soon as he stepped outside the courthouse on a second charge of making statements likely to cause hatred and contempt. Bail was again set at 5,000 dollars.

According the the police summons, Moore is alleged to have charged that the police and legal systems here have been politicised.

TRINIDAD AND TOBAGO

NIGERIAN ENVOY RECEIVES THREE DEATH THREATS

FL251507 Bonaire Trans World Radio in English 1130 GMT 25 Mar 87

[Text] Nigeria's high commissioner in Trinidad and Tobago said he received three death threats in recent days. (Ayurinde Ashukaya) said the threats came by telephone after he participated in an antiapartheid demonstration held in the capital several days ago. That demonstration was to protest the visit of a British cricket team to Trinidad.

NATION FACING ONE OF WORST DRY SEASONS

FL011752 Bridgetown CANA in English 1417 GMT 1 Apr 87

[Text] Port of Spain, Trinidad, April 1, CANA -- Lack of rain has created one of Trinidad and Tobago's worst dry seasons in more than a decade, hampering some agricultural and industrial production and forcing the state-run water authority to ration supplies.

The government's meteorological centre here said March, usually the driest month of the year, this year saw only 3.3 millimetres of rainfall -- 90 percent less than projected. The centre also reported deficits of 89 and 62 per cent for the months of January and February respectively. The meteorological officials in fact said 1987 could turn out to be the worst dry season since 1973.

The Water and Sewerage Authority (WASA) says it is now planning to ferry water to top up supplies in Tobago, and in the meantime has been interrupting service to some areas and seeking the public's help in reducing unnecessary usage. WASA said demand for water usually increases by some 25 per cent in the dry season.

Meanwhile the big state-owned company, Caroni Limited, which produces sugar, rum and a range of agricultural produce, has reported some withering of its citrus and coffee plants and a fall in the quality of its sugar cane as a result of the drought conditions. Caroni announced it will temporarily stop its rum production, which usually releases some 45,000 gallons of effluent a day into the central Trinidad Caroni River, now virtually dry. Caroni said it would resume production of rum -- for which local demand has tapered off anyway -- in May.

The company, now in the midst of a diversification programme, said however that the intense dry season has had one advantage -- providing the ideal conditions for the cassava and rice crops.

GOVERNMENT ANNOUNCES MORE FOOD PRICE INCREASES

FL011700 Bridgetown CANA in English 2349 GMT 31 Mar 87

[Text] Port of Spain, Trinidad, March 31, CANA -- The government announced more price rises today: powdered and evaporated milk, cheese, garlic and sardines go up by between 26 and 41 per cent.

The list issued is the second set of price increases for government-controlled basic imported food items since local importers complained of increased costs following unification of the country's dual exchange rate, which had previously allowed entry to food and drug imports at a lower rate. Last week the Industry Ministry's prices commission announced a 30 to 49 per cent increase in several items including potatoes and onions, which had been scarce on supermarket shelves, while importers awaited word from the commission.

The new price increases today sent evaporated milk up by just over 41 per cent, powdered baby milk not included on the last list up by over 29 per cent, and cheese up by 32 per cent. One pound of garlic moves from TT3.88 dollars to 4.76 dollars (one TT dollar -- 27.7 U.S. cents). Tinned sardines, mostly imported from Canada, went up a few cents under today's new list.

Explaining the need for price increases last week, commission officials said the entire estimated 50 per cent increase in the cost of imports following the rate unification had not been passed on fully to consumers.

CANE FIRES CAUSING HAVOC IN SUGAR HARVEST

FL011718 Bridgetown CANA in English 0036 GMT 1 Apr 87

[Text] Port of Spain, Trinidad, March 31, CANA -- Unplanned cane fires are wreaking havoc with Trinidad and Tobago's 1987 sugar harvest, forcing the establishment of a committee to consider remedial action.

The country's lone sugar producer, Caroni Limited, said today some 31,440 tonnes of cane had been abandoned this year due to fires, in comparison with 18,873 tonnes in 1985. So far this year the fires have cost Caroni some TT1.5 million dollars (one TT dollar -- 27.7 U.S. cents). Caroni said it has produced 58,669 tonnes of sugar almost three months into the 1987 season from 764,134 tonnes of cane, but has been hampered by a sudden increase in the number of cane fires this year. The new committee, including representatives of the company, the unions and Caroni's estate police, met yesterday to look at possible further action on the problem.

The company, which had earlier sought the co-operation of its 8,000 sugar workers in increased surveillance, said the number of fires had fallen from 194 in mid-February to 113 last week, but this figure was still too high.

BRIEFS

NEW PARTY YOUTH GROUP -- Kingstown, St Vincent, March 27, CANA -- St Vincent's ruling New Democratic Party (NDP) has launched a youth arm called the Young Democrats. The objectives are to promote greater understanding and increase friendly relations among young people and subscribe to the principles and objectives of the NDP, party officials said. The aim is also to develop a movement within the party which would be ready and willing to defend the NDP's objectives and programmes, the independence and integrity of the country and as a whole to fight for the preservation of democracy in St Vincent and the Grenadines. A draft constitution for the Young Democrats has already been accepted in principle and is to be ratified at the group's first convention. [Text] [Bridgetown CANA in English 1102 GMT 27 Mar 87 FL]

BOUTERSE ANNOUNCES REFERENDUM, ELECTIONS DATES

FL011819 Paramaribo International Service in English 1730 GMT 1 Apr 87

[Text] This year a referendum as well as general elections will be held in Suriname. Government leader Desi Bouterse announced both dates during the extraordinary meeting of the National Assembly last night. The referendum was billed for September 30th while general elections will be held on November 25th, Independence Day in Suriname.

[Words indistinct] referred to the occasion as a historic moment for the people of Suriname. If we go back to the time of taking power 7 years ago, said Bouterse, we could not suspect it would have been so difficult to realize the ideals for a better and democratic society. The leadership was often provoked into establishing a military dictatorship in Suriname, but at all times, said Bouterse, the ideals for a better and (?democratic) [sentence as heard].

DRAFT CONSTITUTION APPROVED; MERCENARIES SIGHTED

FL311348 Bonaire Trans World Radio in English 1130 GMT 31 Mar 87

[Text] In Suriname, the National Assembly has approved a draft of the new constitution, which will limit the Army's role in government. The leaders of the country agreed to this but made no concessions to the three former political parties on the question of the role of a president. The president of Suriname will, therefore, remain as head of the Government and the Council, which in theory controls the government. The draft will go to the people within 6 months for a vote.

Meanwhile, a white mercenary has been reported captured in Nickerie and has been taken to the capital, Paramaribo, for interrogation. Surinamese News Agency says it is believed that there may be more foreign mercenaries fighting in the Nickerie Forest area.

LABOR UNIONS PLANNING NEW POLITICAL PARTY

FL301935 Paramaribo International Service in English 1730 GMT 30 Mar 87

[Text] The C-47 Trade Union Federation, the Moederbond, and the Civil Service Organization, CSO, are currently engaged in talks aimed at launching a political party. Yesterday, the board of the C-47 was mandated to institutionalize the cooperation with the two labor union federations as soon as possible. During a workers assembly yesterday, C-47 Chairman Fred Derby said that everyone who identifies himself with the interests of the workers will be able to participate in this political party. The fourth labor union federation, PWO [Progressive Workers Organization], is not involved in the talks. Derby said that the C-47 workers assembly had forbidden the board in 1985 to cooperate with the PWO after a conflict with the then Labor Minister Dankerlui, who was drawn from the PWO. According to Derby, qualitatively and quantitatively, the PWO still answers to the criteria of a labor union federation.